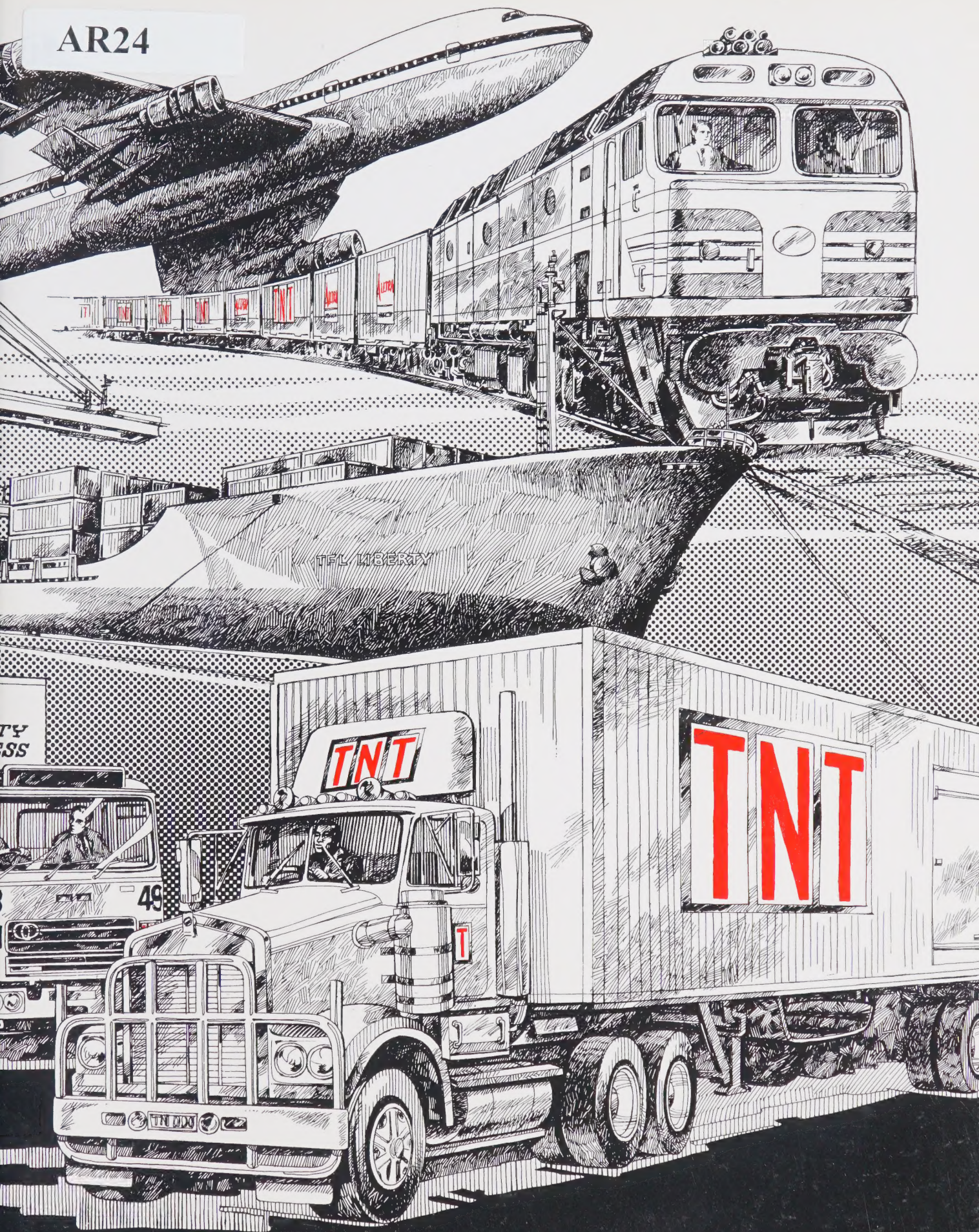


AR24



1979 Annual Report
Thomas Nationwide Transport Limited



TNT Courier System Learjet.



**18th Annual Report
to Stockholders
for the year ended
30 June 1979
Notice of Meeting**

The Annual General Meeting of Thomas Nationwide Transport Limited will be held in the Ballroom, 2nd Floor, Menzies Hotel, 14 Carrington Street, Sydney on 12 November 1979, at 12 noon [Sydney time].

A separate notice of meeting and proxy form are enclosed with this report.

Contents

	Page
The TNT Group and Objective	1
From the Managing Director	2
Financial Summary	3
1978-79 in Review	5
Australia	7
Canada	9
New Zealand	10
Brazil	11
United States of America	13
United Kingdom	14
Shipping-Bulkships Limited	15
From the Chief General Manager	
[with statistical analyses]	16-17
Board of Directors	18
Directors' Report	19-23
Profit & Loss Statement	24
Balance Sheet	25
Statement of Changes in Financial Position	26
Notes to Accounts	27-42
Statutory Items	43
Details of Stockholdings	44



TNT and its Objective

TNT is an international organisation engaged in transport in the world's principal trading areas and providing a comprehensive range of transport services with door-to-door delivery of goods under the control of a single organisation.

Almost 17,000 people are employed in facilities in Australia, New Zealand, Canada, the United States of America, Brazil, the United Kingdom/Continental Europe and South East Asia.

The Group's transport operations are broadly in three categories of service: general freight [normally trading as 'TNT' or 'Alltrans Express'], express freight [principally 'Kwikasair'] and specialised operations which include bulk cartage, car carrying, security delivery, refrigerated transport, industrial waste disposal and distribution support services.

In addition, TNT is involved in shipping in several countries and operates a fleet of container ships, bulk carriers and Ro-Ro vessels which provide regular liner and project shipping services.

Other services include international sea freight forwarding and customs clearance; cold storage and warehousing of both general and bonded consignments; con-

tainer leasing; pallet and forklift hire and radio-controlled courier deliveries.

TNT transport services, in all areas of operation, are supported by an extensive network of freight consolidation and transfer terminals, railhead terminals and maintenance depots.

TNT's objective is to be one of the most successful international transport organisations.

Achievement of that objective requires that:

- we shall, at all times, seek to provide to our customers, and to the communities in which we operate, a highly efficient transport service
- we shall seek to attract, maintain and foster the best management team possible and encourage its development
- we shall provide our services on terms and conditions which will enable us to earn sufficient to reward well our employees, our shareholders and those who lend to us and to provide a solid base for our continuing operations and growth
- we shall be, and be recognised to be, a good corporate citizen





**From
the
Managing
Director**

There has been a strong resurgence of profit growth during the 1978-79 year. Compared with the previous year, which recorded a downturn for the first time in the history of the Company, the result is truly outstanding. It is, in a still uncertain global economic climate, a measure of the resilience of TNT people.

Our main asset is always our people. I know that they are ready for more challenges and thus our plans for continuing expansion and profit growth are safe in their hands.

Whilst the future looks promising, economic problems around the world give cause for concern. I believe business generally, by adopting responsible corporate policies, can help to restore economies to a more stable level. I also believe that increased productivity through maximum effort at all levels would help to prevent further erosion of the working man's living standards.

The world fuel crisis is also a matter for

concern. A viable alternative source of energy must be found. Research is gaining momentum. I am sure that a concentrated effort by the free business world, with its enterprising spirit and ability, will find a satisfactory answer to the problem. TNT is among those seeking solutions, with particular application to the transport industry.

Despite these concerns, I have confidence; confidence that the resolution of the problems which are now pressing is not beyond the intellect of man, given application and goodwill. The total challenge may appear to be somewhat large. Yet the collective effort of all human endeavour, pushing towards common causes, would dwarf the task.

TNT people have made a major contribution towards the transport task during the 1978-79 year. They have made a very positive start to 1979-80.



Financial Summary

	1979	1978	1977	1976	1975
	\$'000	\$'000	\$'000	\$'000	\$'000
GROUP REVENUE	621,333	474,623	462,658	341,658	292,262
OPERATING PROFIT BEFORE TAX	42,197	29,252	29,396	21,499	16,004
OPERATING PROFIT AFTER TAX	23,357	14,219	14,437	13,045	8,659
% OPERATING PROFIT AFTER TAX [before deducting Minorities] TO TOTAL ASSETS	6.8%	5.5%	6.2%	7.7%	5.7%
RETURN ON TNT STOCKHOLDERS' FUNDS*	22.4%	16.9%	18.9%	21.6%	16.2%
EARNINGS PER STOCK UNIT*					
On End-of-Year Capital	31.7¢	19.3¢	19.6¢	22.5¢	15.9¢
DIVIDEND					
Per Cent	22.0%	18.0%	18.0%	17.0%	16.0%
Per Stock Unit [50¢]	11¢	9¢	9¢	8.5¢	8¢
Times covered by Operating Profit	2.9	2.1	2.4	2.6	2.2
NET TANGIBLE ASSETS PER STOCK UNIT	128¢	101¢	89.6¢	98¢	87¢
Current Assets	141,095	82,209	77,960	61,791	50,687
Associated Company Advances	1,246	1,707	607		
Investments	50,668	60,904	60,041	31,343	29,847
Fixed Assets	203,006	153,895	111,717	72,203	64,845
Other Non-Current Assets	17,983	15,481	16,420	6,171	8,453
TOTAL ASSETS	413,998	314,196	266,745	171,508	153,832
Current Liabilities	133,025	88,881	84,394	58,206	50,755
Associated Company Loans	7,167	8,088	9,028		
Long Term Debt	130,713	105,405	70,675	48,111	46,283
Other Term Liabilities	9,729	8,766	9,722	3,681	2,191
TOTAL LIABILITIES	280,634	211,140	173,819	109,998	99,229
Minority Interests	28,941	19,007	16,645	1,000	1,256
Capital	36,895	36,892	36,881	28,943	27,270
Reserves	67,528	47,157	39,400	31,567	26,077
TOTAL SHARE CAPITAL & RESERVES	133,364	103,056	92,926	61,510	54,603
% Total Share Capital & Reserves to Total Assets	32.2%	32.8%	34.8%	35.9%	35.5%
& Long Term Debt to Total Assets	31.6%	33.5%	29.0%	28.1%	30.1%

*Based on Operating Profit.





1978/79 In Review

Revenue and Operating Profit before Extraordinary Items by Area of Operation

	Revenue \$'000		Profit \$'000	
	1979	1978	1979	1978
Australia	283,305	218,697	9,768	6,519
Canada	106,190	90,040	5,003	4,710
New Zealand	33,708	30,642	1,646	1,242
Brazil	29,908	24,139	952	2,347
U.S.A.	80,779	57,113	1,702	[2,328]
U.K.	33,365	12,630	1,383	58
Bulkships	51,948	30,224	5,149	4,970
Other	2,130	11,138	[2,246]	[3,299]
Total	621,333	474,623	23,357	14,219

General

Group net operating profit, after tax and before extraordinary items, for the year was \$23,357,000, a record result and a marked improvement over the previous year's profit of \$14,219,000.

The significant factors in the result were:

- A successful year for the Australian operations resulting from an improved level of economic activity and renewed growth in most divisions.
- Achievement of improved results by the Canadian operations due to higher levels of automobile production in the U.S.A. and Canada and increased steel exports.
- Continuing good results by the New Zealand operations.
- A downturn in the level of profitability of the Brazilian operations, as a result of difficult economic conditions in that country.
- A satisfactory profit contribution by Trans Freight Lines' U.S.A.-Europe service with the effective utilisation of four new and larger ships.
- The success of last year's major expansion in the United Kingdom.
- A sound performance by Bulkships Limited following the addition of new ships to its fleet.
- The adverse effects on other activities by further costs in terminating our own Nigerian service and, subsequently, our jointly owned Nigerian service which was closed towards the end of the financial year.

The 1978-1979 year was one of progress and achievement for the Group and, notwithstanding an uneasy economic outlook throughout the world, further growth is anticipated in the coming year.

[Note: Results have been presented in a strict geographical grouping with the exception of our partly owned subsidiary Bulkships Limited; also other activities have been shown separately; last year's figures have been similarly adjusted.]



Property Surveillance by TNT Group 4 patrolmen.



Australia

This year has been one of the most successful for Australian operations. All divisions performed satisfactorily.

The good results stem from a long-established and successful policy of decentralised management responsibility together with a spread of business across a wide range of industries so that the Group is not dependent upon any one sector. Through energetic marketing, TNT's share of available business has increased in almost every division.

Fuel conservation has become a priority and through extensive use of rail as a long haul freight medium, the TNT Group limits both road usage and the consumption of fuel. The Company uses rail on all routes where Australia's railways provide the service required and in 1978-79, TNT Australia despatched approximately 55,000 semi-trailer equivalents by rail. Thus TNT is a major contributor to the incomes of the respective State and National rail authorities.

Group Services are:

Air Cargo Agents, Air Freight Forwarding, Bond & Free Stores, Bulk Cartage, Car Carrying, Cold Storage, Courier Services, Customs Clearance, Forklift Truck Distribution, Local Cartage, Longhaul Trucking — General & Express, Pallet & Cage Hiring, Payroll Processing, Delivery & Property Protection, Rail Freight Forwarding, Refrigerated Transport, Sea Freight Forwarding, Warehousing & Distribution, Waste Disposal.
Shipping — Charterers & Agents.

Conservation of resources is not new to TNT. Jumbo rail vans were developed some years ago by the Company for maximum space utilisation [there are now 350 in service] and the Group pioneered the use of aerofoil wind deflectors on interstate road vehicles to help reduce fuel consumption. TNT is now converting existing vehicles and ordering new ones to operate on Liquefied Petroleum Gas subject to availability of fuel supply outlets. LPG has been used by TNT in terminal and warehouse forklift trucks and in some light road vehicles for many years. Developments directed towards the use of Compressed Natural Gas (CNG) for commercial purposes, are being followed with interest.

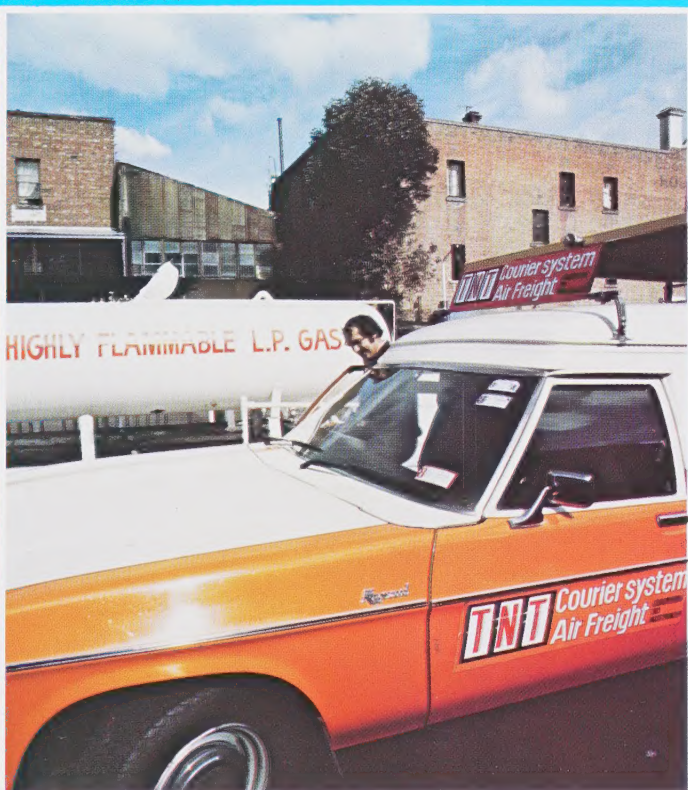
TNT's Equipment Division has eleven workshops throughout Australia, maintaining a high standard of safety checks and ensuring efficient operation of 3,500 items of transport equipment.

Steady improvement in operating methods coupled with sound management of resources in modernising and expanding facilities remain the essential factors in the future of the Group's principal activity in Australia — dry freight transport.

Disposal of industrial waste has become an important community need and thus is a growth business. TNT Waste Control Services has made excellent progress and is expected to steadily increase market share and profits.

Following an agreement with Pan American World Airways, Inc. to take over that airline's cargo handling function in Australia, TNT ceased all international air freight forwarding operations in Australia at the end of March 1979. The Group is now developing a strong international air freight service with this major airline.

Overseas shipping to Australia has changed significantly in recent years through the continuing entry of non-conference lines. TNT has benefited by the acquisition of additional agencies and from more favourable rates and conditions for freight forwarding clients. This is a profitable growth area which is being energetically developed by skilled staff.



Converted Courier vehicle refuelling at L.P. Gas Station.



Kwikasair linehaul unit, Rogers Pass, Canadian Rockies.



Canada

The Canadian Group's operations achieved improved results for the sixth consecutive year.

Overland Western Limited and its major subsidiary, Trojan Freight Lines, operating in the Great Lakes area of Canada and the United States, accounted for almost half of the Canadian Group's pre-tax earnings. This outstanding performance was largely due to near-record levels in automobile production and a significant increase in steel production for export.

A steel transfer warehouse was completed for the Steel Division of Trojan Freight Lines in Detroit. It is the finest warehouse of its type in the area and will substantially improve our competitiveness in the steel transport business to and from the United States.

Alltrans Express, operating across Canada, experienced a difficult year and did not meet expectations. Corrective measures instituted in the early part of the year reflected in improved results for the last three months. The company introduced a new expedited road service between Eastern and Western Canada. It is anticipated that this new venture will further assist the Group's penetration of the total Canadian market.

Kwikasair, which also operates across

Group Services are:

Air Cargo Agents, Air Freight Forwarding, Courier Services, Customs Clearance, Express Trucking, Garment Hanger Service, General Trucking, Heavy Haulage, International Trucking, Local Cartage, Refrigerated Transport, Small Parcels Express, Steel Trucking, Warehousing.

Canada, produced record results for the year. The Company has established a new division, "Overnightair", which provides a guaranteed overnight delivery service between Eastern and Western Canada. With its existing efficient ground network in most major centres, Kwikasair is now in a position to compete directly with the major airlines for domestic airfreight.

The Champlain Sept-Iles Group, which operates in Quebec Province and interlinks with our other services, also produced record results.

In parallel with Australian arrangements, negotiations were successfully concluded during the year with Pan American World Airways, Inc. for the Canadian Group to act exclusively as general agent for Pan Am's inwards and outwards freight activities in Canada.

The Group's two roll-on/roll-off ships which are out on charter incurred losses during the year.

Whilst we have great confidence in the management of our Canadian operations, rising energy costs, together with anticipated increases in inflation and unemployment, could affect the level of business in the respective divisions during 1979/80.



Trojan Freight Lines' Steel warehouse, Detroit, U.S.A.



New Zealand

Strong marketing efforts, resulting in some encouraging increases in the volume of freight carried, combined with stringent cost control measures, enabled TNT's New Zealand operations to lift their contribution to Group revenue and profit.

Fuel and energy conservation measures introduced during the year have had a marked impact on costs and the extension of these will further assist cost reduction efforts.

Although there has been no real reversal of the country's economic downturn, all divisions performed well during the year and new services and innovations introduced by Kwikasair and Comet Air Couriers contributed to the improved results.

The new major freight terminal at Sockburn, Christchurch, was completed on schedule and became operational during the second quarter. The Sockburn complex completes a national network of branch facilities in major centres, each with ample capacity to handle the foreseeable future needs of the Group in New Zealand. Storage and warehousing,

Group Services are:

Air Freight Forwarding, Bond & Free Stores, Courier Services, Customs Clearance, Rail Freight Forwarding, Sea Freight Forwarding, Warehousing & Distribution, Waste Disposal.

Shipping — Charterers & Agents.

with increased facilities in the principal cities, made a greater contribution to the year's trading result.

Trans-Tasman and International Divisions performed creditably in the adverse business climate. Extension of activities in domestic air freight forwarding included the opening of a branch office at Auckland International Airport.

An associated company, Industrial Waste Collections Limited (33 1/3 per cent owned), operated at improved levels of profitability. The outlook for New Zealand's economy is clouded by the problems of inflation, adverse balance of payments and the worldwide oil supply difficulties. However, measures adopted by the Government have sustained a moderate level of consumer spending. Encouragement offered to manufacturing and exporting industries and the recent liberalisation of Government policy on foreign investment are expected to generate some increase in economic activity.



Altrans Express terminal Sockburn, Christchurch, N.Z.



Brazil

Group Services are:

*Air Freight Forwarding, Local Cartage, Longhaul Trucking
— Express & General.*

The Group's operations were adversely affected by increasing inflation and the subsequent social unrest. Results for the 1979 year were below those recorded for the previous year.

Despite the disappointing result, our confidence in the future of Brazil is demonstrated by the construction of five modern terminals in Sao Paulo, Belo Horizonte, Novo Hamburgo, Fortaleza and

Belem, in addition to the opening of eleven new branches.

This expansion will permit rationalisation of the Pampa/Ristar operations in Sao Paulo and Rio de Janeiro and enable the Group to directly service central and Southern Brazil.

Not only will these factors help to provide a better and more extensive customer service but they will permit an overall improvement in operating efficiency.



Kwikasair vehicle, Brasilia, Brazil.



Alltrans Express tractor hauling containers wharfside, San Francisco.



The United States of America

After three years of operation, Trans Freight Lines, Inc. has achieved considerable success in the high volume trans-Atlantic shipping system and substantially improved our overall position in the United States.

Cargoes moving in the U.S.-Europe trade route are among the largest and most consistent anywhere in the world. The four new container vessels, "TFL Freedom", "TFL Liberty", "TFL Democracy" and "TFL Independence" have increased the line's North Atlantic trade capacity by 25%. Its now established reputation for efficiency and reliability has made TFL a regular and preferred carrier for a number of shippers and this has been a major factor in the line's development and profitability for the year.

Following the success in operating a weekly service from Northern United States ports to Europe, TFL has expanded into the Southern ports of Jacksonville, Savannah and Morehead City in response to increased demand for reliable, regularly scheduled container shipping in that area. Operating two additional vessels, TFL offers a fortnightly service into these modernised ports which are growing transportation centres able to accommodate and attract increased container traffic from inland States.

Group Services are:

Liner Shipping, Project Shipping & Ships Agency, Bond & Free Stores, Chassis & Container Leasing, Customs Clearance, International Road Forwarding, Local Cartage, Refrigerated Transport, Sea Freight Forwarding, Warehousing & Distribution.

Although United States economic forecasts are mixed, we believe TFL's freight volumes will be maintained by continued strong marketing in its role as a competitive specialised carrier in a high volume market.

Alltrans Express, which operates in the San Francisco area has almost completed its re-equipment and terminal improvement programme. An excellent terminal has been acquired in the San Francisco-Oakland area, and this should help attract considerable freight through the port of Oakland. The San Francisco warehouses have been extended and additional storage space has been taken on the piers, which has greatly improved our capacity for handling container freight.

The freight services, between Seattle and Alaska, provided by Alltrans Alaska Freight, Inc., and Alltrans Arctic Containers, Inc., have shown steady improvement but the deferment of construction work on the Alaska pipeline has retarded development.

Trans Ocean Leasing Corporation, in which TNT holds a 29.2% investment, had an excellent result for the twelve months to 30 June 1979. The company continues to increase the number of containers in its leasing business. The recently introduced associated activity of chassis leasing is progressing favourably.



Master of "TFL Freedom", Captain Henri Kolnes with TFL President, John Arwood.



United Kingdom

The greatly expanded activities of the Group in the United Kingdom, now operating as TNT Inter County Express, have achieved satisfactory profits. The result would have been substantially higher but for severe industrial disruptions and the effects of the worst winter weather recorded in Britain for decades.

Expansion was assisted by the acquisition of Evancrest Transport Limited in January 1979, adding five terminals and virtually completing a nationwide network.

Since the establishment of the new organisation, there has been substantial growth in the level of business and revenue has doubled in the 12 months to June 1979. Considerable time, effort and cost have gone into organisation and control. The management structure has been strengthened at all levels and in all spheres of line responsibility.

TNT Inter County Express is concentrating on further improvement in the range and efficiency of services to parcel express customers. The company's aim is to provide the finest distribution service in the United

Group Services are:

Bond & Free Stores, Customs Clearance, International Road Forwarding, Local Cartage, Longhaul Trucking — General & Express, Sea Freight Forwarding, Warehousing & Distribution.



TNT Inter County Express terminal, Ramsbottom, U.K.

Kingdom. To this end, three temporary facilities have been opened in East Anglia, Cheshire and Aberdeen and steps are being taken to replace several existing depots in the network. Planning for a system linking all depots to one "HUB" depot for central sorting and re-consignment is nearly finalised.

We believe that the state of the transport industry in the United Kingdom offers a sound base for profitable expansion.



TNT Inter County Express linehaul unit in Rosendale Valley, U.K.



Shipping – Bulkships Limited

The Bulkships Limited Group again achieved an increase in operating profit despite lower profits in certain associated companies. All Bulkships vessels are profitably employed.

During the year, the last of the new container vessels being built in Japan was delivered. All six vessels are now trading profitably in international trades. Four are chartered to Trans Freight Lines, Inc. for operation in the North Atlantic trade and the remaining two are chartered to Neptune Orient Lines of Singapore for operation in the Pacific trade. As part of a fleet modernisation programme,

Bulkships Group Services are:

Shipping — Owners, Operators, Agents & Charterers, Storage & Packing Contractors, Container Forwarders, Container Repairers, Bond Stores Operations.

Bulkships took delivery of a new 19,000 tonne bulk carrier M.V. “Iron Sturt”, built in Japan and chartered for ten years for operation on the Australian coast. Two other bulk carriers, M.V. “Iron Mittagong” and M.V. “Iron Bogong” are also under charter to the same company.

Bulkships has entered the offshore oil and gas service industry with the establishment of Atlas Offshore, a new operating division. Two specialised anchor handling offshore supply vessels were recently ordered for delivery in June 1980. It is intended that these vessels will operate in the North West Shelf area of Australia.

The specialised cement carrier, M.V. “Goliath”, which is on long term charter, completed a successful first year of trading. Two other vessels of the Bulkships fleet, M.V. “Seaway Queen” and M.V. “Meringa” became surplus and were sold for satisfactory prices.

ASP Container Express, which operates a rail container service between Perth and other Australian capital cities, again performed well.

Union Steam Ship Company of New Zealand Limited, owned 50% by Bulkships, experienced another difficult year due to depressed economic conditions in New Zealand.

Union Bulkships Pty. Ltd., a port agency and ship operating company jointly owned by Bulkships and Union Steam Ship Company, performed well despite difficult conditions in the trans-Tasman trade.

Seatainer Terminals Limited, which operates container terminals in Sydney, Melbourne and Fremantle, returned satisfactory results, although slightly lower than budget due to industrial stoppages.

During the year Bulkships acquired the outstanding shares in Wm. Holyman & Sons Pty. Ltd., a Tasmanian based shipping and freight forwarding company.

The sale of Bulkships’ 32% interest in R.W. Miller (Holdings) Limited to Atlantic Richfield Company for \$28,250,000 was finalised recently. The sale of these shares yielded an extraordinary profit to TNT of approximately \$9,800,000.



Bulk carrier M.V. “Iron Sturt”.



From
the
Chief
General
Manager

This time last year, I said that TNT's position as a leader in its field would be confirmed and that the efforts of our people would be recognised by a return to growth in earnings. The results recorded in this report confirm that TNT is, unquestionably, a leader in the transport industry and is, very much, a growth organisation.

Earnings are important to any business. The right company structure, forward planning and sound management development, are important factors in preserving and improving the level of earnings.

This year's outstanding result reinforces our long standing policy of decentralised responsibility. This has been thoroughly tested and proved successful, particularly in the varying economic conditions of the last

decade. Thus the TNT organisation is very solidly based, both in the ability and quality of people and in coverage of the many facets of transport. Operations are affected from time to time by industrial unrest, economic uncertainty, fuel shortages and inflation, but the broad structure of our business minimises the impact on our results.

In the business world, adverse events are quoted too often as justification for poor performance. In the TNT Group, we see them for what they are; simply part of the changing environment which management must meet and provide for in its planning and collective corporate attitude.

The TNT team has proved that it is more than equal to this task.

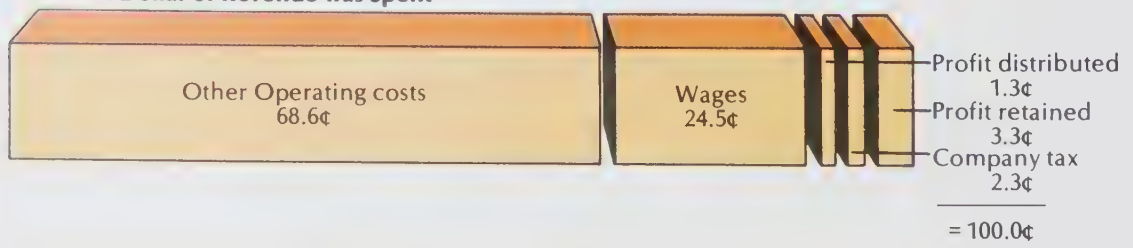
Ross Brille

Facts about our Business

How Each Dollar of Revenue was Earned

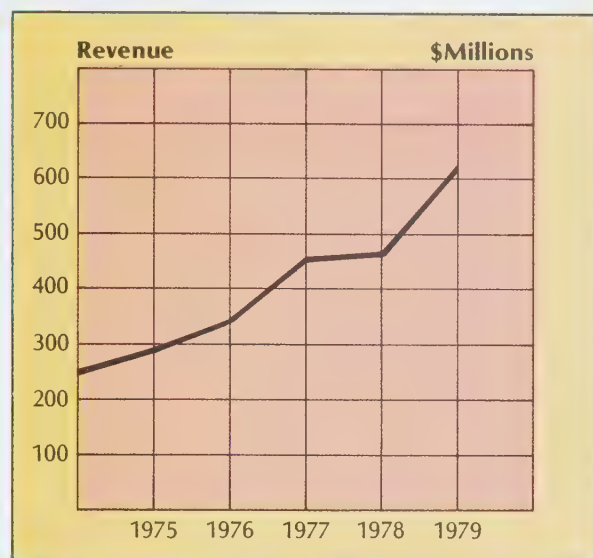


How Each Dollar of Revenue was Spent



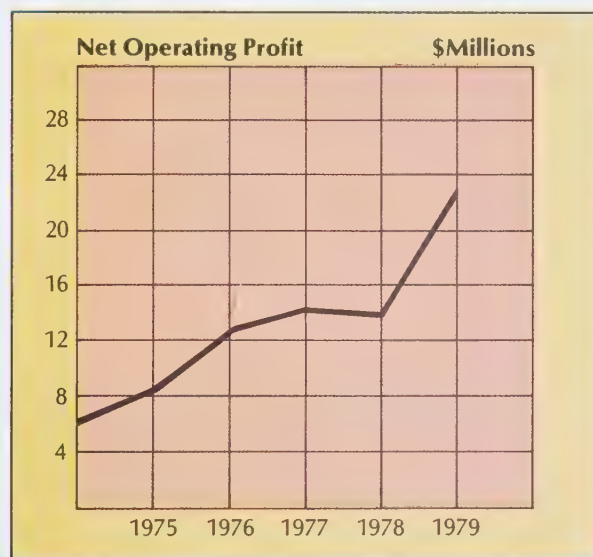


Facts About Our Business.



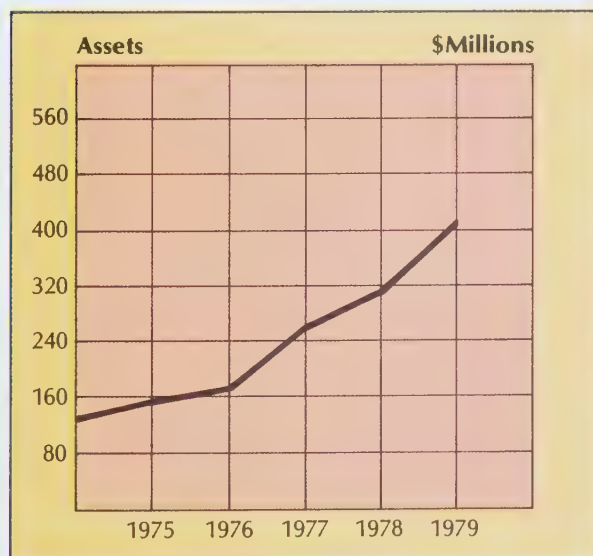
TNT People by Occupation

Dock Hands	4,326
Drivers	5,411
Workshop maintenance	614
Clerks/Operations	2,019
Clerks/Administration	2,125
Marketing	818
Ship's Officers & Seamen	851
Executives/Managers	787
	<hr/> 16,951



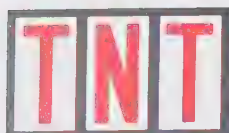
TNT People by Country

Australia	7,803
New Zealand	492
U.S.A.	413
Canada	2,896
Brazil	3,051
U.K./Europe	1,786
S.E. Asia/Far East	510
	<hr/> 16,951



20 LARGEST STOCKHOLDERS
[Ordinary 50 cent Stock Units]
[as at 10 September 1979]

1. Australian Mutual Provident Society	6,771,207
2. The National Mutual Life Association of Australasia Limited	4,170,569
3. ANZ Nominees Limited	3,949,721
4. National Nominees Limited	3,731,086
5. State Superannuation Board	2,760,000
6. Bank of New South Wales Nominees Pty. Limited	2,472,888
7. The Mutual Life and Citizens Assurance Company Limited	2,123,394
8. McIlwraith McEachern Limited	1,500,811
9. AUC Nominees Pty. Limited	1,423,300
10. Darling Nominees Pty. Limited	1,146,538
11. The Colonial Mutual Life Assurance Society Limited	1,129,782
12. TNT Superannuation Pty. Limited	1,119,037
13. NAURU Phosphate Royalties Trust	1,080,000
14. P.A. Holdings Pty. Limited	1,025,417
15. Hammond Holdings Pty. Limited	732,048
16. The Adelaide Steamship Company Limited	718,900
17. Commercial Union Assurance Company of Australia Limited	648,750
18. Mobil Nominees Pty. Limited	586,192
19. B P Australia Nominees Pty. Limited	580,798
20. ICIANZ Pension Fund Securities Pty. Limited	520,621



Board Of Directors

			*
F.W. Millar, C.B.E.	Executive Chairman		1967
Sir Peter Abeles	Managing Director & Chief Executive		1967
J.R. Cribb, O.B.E.	Chief General Manager		1969
P.W. Allesbrook	United Kingdom	Non-executive	1973
The Hon. Sir Robert Askin, G.C.M.G.	Australia	Non-executive	1976
H. Freeman	Canada	Non-executive	1970
Sir Arthur George	Australia	Non-executive	1973
J.B. Horrocks	New Zealand	Non-executive	1970
M. Koffman	Canada	Non-executive	1976
W.O.S. Martin	Brazil	Executive	1966
Sir Ian Potter	Australia	Non-executive	1971
K.G. Smith	Australia	Non-executive	1961
P.B. Thomson	U.S.A.	Executive	1973

Corporate Secretary: R.T. Patteson

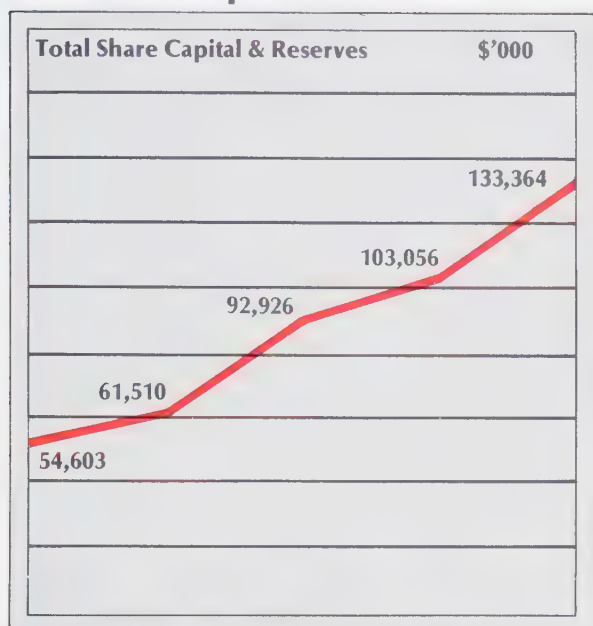
*indicates year of appointment to the Board of Directors



J.R. Cribb, O.B.E., Sir Peter Abeles, F.W. Millar, C.B.E.



Directors' Report



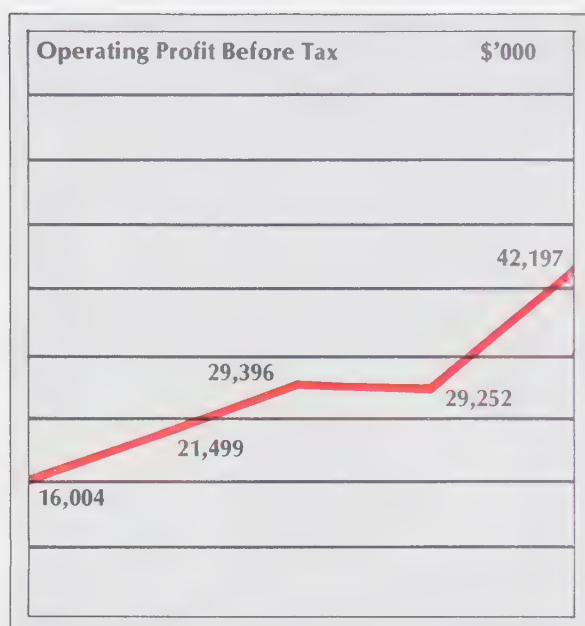
1975 1976 1977 1978 1979

This 18th Annual Report [including the Audited Accounts] covers the affairs and financial position of the TNT Group as at 30 June 1979 and for the year ended on that date.

Group Revenue — Consolidated Group Revenue for the financial year advanced 30.9% to \$621,333,000 compared with \$474,623,000 for the previous financial year. Expressed in United States currency, Group Revenue was \$US698,068,000 compared with \$US545,769,000 in the previous year [in each case, at the rate of exchange on the relevant 30 June].

Group Net Profit — Consolidated Net Profit of the Group for the financial year ended 30 June 1979, after Extraordinary Items, was \$28,482,000, an increase of \$14,105,000 or 98.1% compared with the 1977-78 year. Such Net Profit includes the entitlement to profits of Associated Companies and is after providing for income tax and allowing for minority interests. It also includes Extraordinary Items amounting to a surplus of \$5,125,000 [last year surplus \$158,000]. Profit for the year expressed in U.S. currency was \$US32,000,000 [last year \$US16,532,000].

Gains and losses arising from foreign exchange fluctuations, both realised and unrealised, have been brought to account as extraordinary items in arriving at the result for the year. These amounted to a loss of \$2,485,000 [1978, loss \$2,520,000].



1975 1976 1977 1978 1979

Earning Rates — Earning rate, based on operating profit, was 63.3% [last year 38.6%] on end-of-year capital which increased by \$3,000 during the year. Earning rate on end-of-year Stockholders' funds was 22.4% [last year 16.9%].

Earnings per stock unit on end-of-year capital was 31.7 cents [last year 19.3 cents].

Dividend — The interim dividend paid March 1979 was 5 cents per stock unit [last year 4.5 cents]. Directors recommend a final dividend of 6 cents [last year 4.5 cents] making a total of 11 cents for the year [last year 9 cents]. The dividend requires \$8,117,000 [last year \$6,639,000] and operating profit covers dividend 2.9 times. 34.7% of the operating profit is distributed to Stockholders.

Capital — During the year paid up capital was increased by \$3,000 to \$36,895,000 by the allotment of 6336 stock units to 1985 convertible noteholders.

Stockholders' Funds — Stockholders' funds at year end were \$104,423,000 [last year \$84,049,000] representing an increase of \$20,374,000. Net Tangible Asset Backing Per Stock Unit was 128 cents [last year 101 cents].

Intangible Assets — Intangible assets in the Consolidated Balance Sheet increased during the year to \$9,721,000.

Statutory Information

The following information is supplied in accordance with the requirements of Section 162A of the Companies Ordinance 1962.

The names of the directors of Thomas Nationwide Transport Limited in office at the date of this report are —

Frederick William MILLAR, C.B.E.

Sir Peter ABELES

[Alternate — **Neville Austin GRACE**]

John Ross CRIBB, O.B.E.

[Alternate — **Donald Martin DICK**]

Peter Winder ALLSEBROOK

The Hon. Sir Robert ASKIN, G.C.M.G.

Harold FREEMAN

Sir Arthur GEORGE

John Brownlow HORROCKS

[Alternate — **Owen Terence HANNIGAN**]

Morley KOFFMAN

William Oswald Somerville MARTIN

[Alternate — **Ian Francis SHORTELL**]

Sir Ian POTTER

Kenneth Gregory SMITH

[Alternate — **Robert Charles ELLIOTT**]

Peter Boyne THOMSON

The principal activities in the course of the financial year of

[i] Corporations in the group were on forwarding and carriage of goods by road, rail, sea and air including specialised divisions

operating exclusively in the movement or transshipment of motor vehicles, industrial waste, bulk cargo and frozen foods; storage and warehousing of dry and frozen goods; payroll delivery and security services; ship owners, operators, agents and charterers; customs agents; courier or small parcel delivery services; servicing and maintenance of operating equipment; manufacture and hire of pallets; marketing of fork lift trucks; launderers and linen hire service; property owners, investment in subsidiary companies; investment in other companies.

[ii] Associated companies whose results were equity accounted were ship owners, operators and charterers; marine and general engineers; investors and property owners; international container leasing; onforwarders of goods by road and rail; stevedoring; travel agents.

The consolidated net profit of the group for the financial year ended 30 June 1979 including the entitlement to profits of associated companies of \$1,005,000 and after deducting provision for income tax and amounts attributable to minority stockholders was \$28,482,000. The extent to which each corporation in the group contributed to the consolidated net profit or incurred losses, which were taken into account in arriving at the consolidated net profit is shown in note 27 to the accounts and forms part of the directors' report.

During the year the following subsidiaries were:

	Consideration \$'000	Net Tangible Assets Acquired/ [Disposed] of \$'000	Parent Company's Interest %
[i] Acquired			
Bulkships Finance Pty. Limited	1	1	62.5
Carpentaria Transport Pty. Limited	61	59	56.0
Cooper Bros. Transport Limited	1,292	906	96.8
—Wholly owned subsidiaries			
Comet Transport Equipment Limited			
McLaughlan Hammond Customs Agency Limited			
Evancrest Transport Limited	687	376	96.3
—Wholly owned subsidiary			
J. Wormald Limited			
Trans Ile Inc.	111	75	100.0
TNT Travel Investments Pty. Limited	—	—	100.0
Trucape Pty. Limited	1,190	2,909	62.5
—Wholly owned subsidiaries			
Associated Stevedores Pty. Limited			
Fish Canneries of Tasmania Pty. Limited			
Holyman Transport Pty. Limited			
Tamar Charterers Limited			
Wm. Holyman & Sons Pty. Limited			

	Consideration \$'000	Net Tangible Assets Acquired/ [Disposed] of \$'000	Parent Company's Interest %
[ii] Disposed of			
Kwikasair Express [M] SDN.BHD	—	—	100.0
TNT Airfreight Pty. Limited	80	[80]	100.0
[iii] Incorporated			
C.V.A. Road Freight Limited		Transtotal Transportes Ltda.	
Seafast International Limited			
[iv] Liquidated — [Non Operative]			
A.C. Campbell Sales Pty. Limited		Pallet Assemblers & Hire Co. Pty. Limited	
Alltrans Seatons Pty. Limited		Pallet Hire Co. [Wollongong] Pty. Limited	
Alltrans Southern Express Pty. Limited		Pallet Hiring Pty. Limited [Qld.]	
Associated Containers Pty. Limited		Pallet Hiring Pty. Limited [S.A.]	
Atlas Transport Pty. Limited		Pallet Hiring Pty. Limited [W.A.]	
Atlas Transport Services Pty. Limited		TNT Bulk Cartage Limited	
Avon Equipment Hirers Pty. Limited		TNT Cousins' Pty. Limited	
Brisbane Pallet Pty. Limited		TNT Investments N.S.W. Pty. Limited	
Campbells Transport [Dromana] Pty. Limited		TNT Investments S.A. Pty. Limited	
Campbells Transport [Pakenham] Pty. Limited		TNT Investments Vic. Pty. Limited	
Flemings Trucking Service Limited		TNT Investments W.A. Pty. Limited	
General Engineering Sales Pty. Limited		TNT-NQX Pty. Limited	
Neptune Timber Pty. Limited		TNT Special Investments Pty. Limited	

Material transfers were made to and from retained earnings in respect of equity accounted profits of associated and subsidiary companies as set out in notes 9 and 10 to the accounts.

During the year the following shares were issued

- (i) By subsidiary companies:**
Shares were issued for cash in the following subsidiaries for the purpose of incorporating new companies or establishing or increasing permanent working capital.

	Class of Share	Par Value	Number Issued
Alltrans Express Limited	Ordinary	££1	500,000
Carpentaria Transport Pty. Limited	"C" Class	A\$1	6,819
C.V.A. Road Freight Limited	Ordinary	££1	2
Seafast International Limited	Common	C\$1	5,000
TNT Transportes Ltda.	Ordinary	Cr.\$1	571,820
Transportes Ristar Ltda.	Ordinary	Cr.\$1	58,000,000
Transtotal Transportes Ltda.	Ordinary	Cr.\$1	27,200,000

Issues were also made in the following subsidiaries by capitalisation of reserves and retained earnings.

Kwikasair Encomendas Urgentes Limitada	Ordinary	Cr.\$1	7,700,000
TNT Transportes Ltda.	Ordinary	Cr.\$1	35,173,369
Transportadora Pampa S.A.	Ordinary	Cr.\$1	60,000,000
Transportes Ristar Ltda.	Ordinary	Cr.\$1	5,000,000

- [ii] By the parent company:**
Allotted to convertible noteholders on exercise of their entitlement to convert to ordinary shares
- | | | |
|----------|-----|-------|
| Ordinary | 50¢ | 6,336 |
|----------|-----|-------|

The directors of the parent company recommend a final dividend of 12% absorbing \$4,427,000 out of profit for the year ended 30 June 1979 payable on 12 November 1979.

The directors of the parent company recommended by the directors in the 1978 annual report of \$3,320,000 was paid on 13 November 1978 and an interim dividend of 10% absorbing \$3,689,000 was paid on 30 March 1979.

During the year the final 9% dividend Since the end of the previous financial year

and up to the date of this report, no dividends have been paid to, or declared in favour of, the holding company by any subsidiary company other than has been shown in note 26 to the group accounts for the year to 30 June 1979.

Before the accounts of the parent company were made out, the directors took reasonable steps to ascertain, as far as debts owing to the company are concerned, what action has been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts and to cause all known bad debts to be written off and adequate provision to be made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would render the amount written off for bad debts or the amount of the provision for doubtful debts, in the group of companies, inadequate to any substantial extent.

Before the profit and loss account and balance sheet were made out the directors took reasonable steps to ascertain that the current assets of the parent company were likely to realise in the ordinary course of business, their value as shown in the accounting records of the company.

At the date of this report the directors are not aware of any circumstances which would render the values attributed to current assets in the group accounts, misleading.

- [i] There does not exist at the date of this report any charge on the assets of any corporation in the group securing the liabilities of any other person which has arisen since the end of the financial year.
- [ii] Contingent liabilities have been undertaken by companies in the group since the end of the financial year, represented by guarantees given in the normal course of business on behalf of other group companies.

No contingent or other liability of any corporation in the group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which in the opinion of the directors of the parent company will or may affect the ability of the company to meet its obligations as and when they fall due.

At the date of this report the directors are not aware of any circumstances not otherwise dealt with in the report or group accounts, that would render any amount stated in the group accounts misleading.

The results of the operations of the group or of a corporation in the group during the financial year were not substantially affected

by any item, transaction or event of a material and unusual nature apart from those referred to in this report and in notes 5 and 7 to the group accounts.

In the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material or unusual nature likely, in the opinion of the directors, to substantially affect the results of the operations of any corporation in the group during the next succeeding financial year.

The company has on issue convertible notes and warrants entitling the holders to subscribe under certain conditions for the issue of ordinary stock units. Particulars are further described in note 22 to the accounts which form part of this report.

Since the end of the previous financial year and up to the date of this report, 6,336 shares of 50 cents each were allotted by virtue of the exercise of entitlements.

Certain directors of the parent company have received a benefit other than a benefit included in the aggregate amount of emoluments received shown in the accounts which were legal fees, etc., paid during the year in the normal course of business to firms in which directors are members.

DIRECTOR	LEGAL FIRM
H. Freeman	Freeman & Company
Sir Arthur George	Arthur T. George & Co.
J.B. Horrocks	Rudd Garland & Horrocks
M. Koffman	Freeman & Company

In addition

- [i] During the year the company increased its holding in Alltrans Group [N.Z.] Ltd. and Cooper Bros. Transport Ltd. by acquiring shares in those companies from Mr. D.M. Dick, an alternate director of the company, and from Andrew & Andrew Ltd., a company in which Mr. J.B. Horrocks, a director of the company, and his family have significant interests. The shares so acquired were subject to the same terms and conditions as were the other shares acquired at the same time from other persons.
- [ii] Mr. D.M. Dick, who retained some of the shares held by him in both of these companies, was also granted an option at any time to 30 June 1981 to increase his holdings to 10% of the total shareholding in each of these related corporations.

Save as aforesaid, no director of the parent company has received or become entitled to receive since the end of the previous financial year a benefit [other than a benefit included in the aggregate amount of

emoluments received or due to be received by directors as shown in the attached accounts or fixed salary as a full time employee of the company] by reason of a contract made by the holding company or a related company with the director, or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The company is a company of the kind specified in the schedules to the order dated 21 July 1978 and made by the Registrar of Companies of the Australian Capital Territory in terms of Section 162 [C] of the Companies Ordinance 1962. The amounts shown in the accompanying accounts and directors' report have been rounded off in thousands of dollars in accordance with that order.

Mr. J.R. Cribb, O.B.E., Mr. K.G. Smith, Mr. P.W. Allsebrook and Sir Arthur George retire by rotation in accordance with Article 101 and, being eligible, offer themselves for re-election.

Resolutions will be proposed to stockholders pursuant to Section 121 of the Ordinance to authorise the continuation in office of Sir Ian Potter and the Hon. Sir Robert Askin, G.C.M.G. as directors until the conclusion of the next annual general meeting of the company.

Stockholders are requested to approve an amendment to the Company's Articles of Association to provide Directors, in their discretion, with the power to pay amounts [by way of pension or lump sum payment] in respect of past services to a non-executive Director who ceases to hold office as a director for any reason [including death] provided that the value or amount so paid does not exceed the permissible limit from time to time under the Ordinance.

The Directors recommend that a Bonus Issue be made out of the amount representing profits arising from revaluation of assets and standing to the credit of the Asset Revaluation Reserve in the ratio of 1 new share for each 10 stock units held by stockholders at 5 p.m. on 23 November 1979 [fractions being disregarded].

Holders of 1985 unsecured convertible notes will participate in the issue on conversion. Holders of 1980 and 1983 unsecured convertible notes may participate in the issue provided that they have converted their notes up to and including 12 noon on 23 November 1979.

Subject to approval of the Bonus Issue by Stockholders at the Annual General Meeting it is intended to make to those 1980 and 1983 noteholders who do not convert their notes on or before 12 noon on 23 November 1979 an offer to subscribe in cash at par for 1 share of 50 cents in the capital of the company for every 30 notes registered in the holder's name at 6 p.m. on that date [fractions being disregarded]. Rights to the entitlement will not be transferable.

New shares arising from both issues shall rank *pari passu* with the existing stock units as from 1 July 1979 and therefore shall be entitled to participate in any dividend declared in respect of profits earned from that date. Directors anticipate that at least the current rate of dividend will be maintained on increased capital.

Signed at Sydney this 17th day of September 1979 in accordance with a resolution of directors.

F.W. MILLAR
Chairman

E.H.P. ABELES
Managing Director

Thomas Nationwide Transport Limited and Subsidiary Companies

Profit and Loss Statement for Year Ended 30 June 1979

		Consolidated		Parent	
		1979	1978	1979	1978
	Note	\$'000	\$'000	\$'000	\$'000
Income					
Revenue from operations		610,707	463,088	—	—
Dividends and interest	2	4,656	2,658	8,868	9,276
Entitlements to profits of associated companies before tax	3	5,970	8,877	—	—
Total income		621,333	474,623	8,868	9,276
Less expenditure	4	579,136	445,371	5,428	5,803
Operating Profit before Income Tax		42,197	29,252	3,440	3,473
Less income tax expense	5	14,110	11,980	481	366
Operating Profit after Income Tax		28,087	17,272	2,959	3,107
Less outside shareholders' proportion	6	4,730	3,053	—	—
Operating Profit before Extraordinary Items		23,357	14,219	2,959	3,107
Add					
Extraordinary items	7	5,125	158	[31]	1,835
Entitlements to profits after tax of	8				
—Subsidiary companies		—	—	23,302	4,863
—Associated companies		—	—	2,252	4,572
Net Profit for the Year after Tax and Extraordinary Items		28,482	14,377	28,482	14,377
Add					
Retained profits brought forward		13,789	12,399	1,758	3,824
Transfer from associated companies reserves	9	3,956	85	3,956	85
Available for Appropriation		46,227	26,861	34,196	18,286
Less Appropriations					
Transfers to reserves	10	1,005	6,433	21,051	9,889
Dividends—interim 10% (1978 9%)		3,690	3,319	3,690	3,319
—proposed final 12% (1978 9%)		4,427	3,320	4,427	3,320
Total Appropriations		9,122	13,072	29,168	16,528
Retained Profits Carried Forward		37,105	13,789	5,028	1,758
Analysis of Net Profit					
Parent company and subsidiaries		27,477	11,504	27,477	11,504
Associated companies [in excess of dividend]		1,005	2,873	1,005	2,873
		28,482	14,377	28,482	14,377

The accompanying notes are an integral part of these Statements.

Thomas Nationwide Transport Limited and Subsidiary Companies

Balance Sheet at 30 June 1979

		Consolidated		Parent	
		1979	1978	1979	1978
	Note	\$'000	\$'000	\$'000	\$'000
Share Capital and Reserves					
Issued capital	11	36,895	36,892	36,895	36,892
Reserves and retained profits	12	67,528	47,157	67,528	47,157
TNT Limited Stockholders' Equity		104,423	84,049	104,423	84,049
Equity of minority shareholders in subsidiary companies		28,941	19,007	—	—
Total Share Capital and Reserves		133,364	103,056	104,423	84,049
Term Liabilities	13	140,442	114,171	34,034	34,243
Current Liabilities					
Creditors and provisions	14	93,504	68,790	5,614	4,366
Bank overdrafts and loans	15	39,521	20,091	7,937	2,278
		133,025	88,881	13,551	6,644
Associated and subsidiary companies					
Owing to—associated companies		7,167	8,088	1,183	900
—subsidiary companies		—	—	13,136	15,134
		7,167	8,088	14,319	16,034
Total Share Capital, Reserves and Liabilities		413,998	314,196	166,327	140,970
Represented by:					
Fixed Assets	16	203,006	153,895	—	—
Investments	17	50,668	60,904	88,769	71,537
Non Current Assets	18	8,262	5,942	81	—
Current Assets					
Cash at bank and deposit		10,957	8,309	—	568
Accounts receivable	19	115,131	63,747	226	18
Prepayments, stocks and deposits	20	15,007	10,153	134	666
		141,095	82,209	360	1,252
Associated and Subsidiary Companies					
Owing by—associated companies		1,246	1,707	—	—
—subsidiary companies		—	—	77,117	68,181
		1,246	1,707	77,117	68,181
Intangibles	21	9,721	9,539	—	—
Total Assets		413,998	314,196	166,327	140,970

The accompanying notes are an integral part of these Statements.

Thomas Nationwide Transport Limited
Consolidated Statement Of Changes In Financial Position
For Year Ended 30 June 1979.

	1979 \$'000	1978 \$'000
Source Of Funds		
Net Income	28,482	14,377
Add [deduct]		
Depreciation and Amortisation	18,700	12,262
Income tax — timing differences	[1,080]	[659]
Equity in earnings of associate companies	[1,005]	[2,873]
	45,097	23,107
Funds From Operations		
Sale of assets—properties	935	290
—equipment	6,321	3,575
—vessels	1,608	—
—investments	405	4,878
Issue of shares—TNT stockholders	9	30
Decrease in investments in associated companies	14,151	[71]
Increase in term liabilities	26,020	34,348
Increase in minority interests	9,934	2,362
Total Funds Provided	104,480	68,519
These Funds Were Applied As Follows:		
Purchase of assets—properties	11,014	4,153
—equipment	35,331	16,801
—vessels	30,330	37,266
Investments—other securities	3,315	2,882
Increase/[decrease] in non current assets	988	[409]
Increase/[decrease] in intangibles	182	[615]
Dividends on shares	7,010	6,638
Total Funds Used	88,170	66,716
Increase/[Decrease] In Working Capital	16,310	1,803
Analysis Of Changes In Working Capital		
Cash and deposits	2,648	1,297
Accounts receivable	51,384	2,349
Associated companies	[461]	1,100
Other	4,854	603
Current Assets	58,425	5,349
Bank overdrafts and loans	19,430	[7,461]
Creditors and accrued expenses	23,606	11,947
Associated companies	[921]	[940]
Current Liabilities	42,115	3,546
	16,310	1,803

Thomas Nationwide Transport Limited

Notes to the Accounts

The parent company was incorporated in Canberra A.C.T. and is required, in accordance with the Companies Ordinance 1962 which governs or controls its reporting requirements, to disclose to its stockholders values attributable to certain assets and liabilities including the method of determining those values and certain specific items of income and expenditure received or incurred in arriving at the results for the year. The financial statements are presented in accordance with these requirements together with those of the Australian Associated Stock Exchanges and the accounting standards issued jointly by the Australian accounting bodies.

Note 1

Statement of significant accounting policies:

[a] Principles of consolidation:

The consolidated financial statements include the accounts of the company and its subsidiaries at balance date after elimination of all significant intercompany items and transactions.

The group also equity accounts the results of certain unlisted corporations in which it participates in commercial and policy decision making and has a significant shareholding, not being in excess of 50% of the issued ordinary share capital. Where an equity accounted company becomes a subsidiary during the year, it is accounted for on the equity method in relation to the equity holding up to the effective date of acquisition, after which time it is consolidated as a subsidiary.

The group's interest in all other companies is accounted for on a dividend received basis.

The proportion of profit and loss after taxation and extraordinary items applicable to minority shareholders has been deducted in determining the profit available to stockholders of the parent company.

Accounts of overseas subsidiary companies presented in accordance with overseas accounting practices are, for consolidation purposes, altered to comply with company policy and generally accepted accounting practices.

[b] Foreign currencies:

The financial statements of non Australian subsidiaries and the foreign currency investment of the parent in subsidiaries outside Australia, either by way of share capital or loans, have been converted to Australian currency at the rates quoted on 30

June 1979. Borrowings in currencies other than the currency of the country in which the company operates are also converted at balance date rates.

All realised and unrealised gains or losses of a non trading nature resulting from movements in exchange rates during the year have been brought to account in profit and loss as an extraordinary item.

As the company translates the financial statements of non Australian subsidiaries on the closing rate method, balance sheet items reflect movements in exchange rates during the year.

[c] Income taxes:

Tax effect accounting has been adopted for income and expense items which are reported for tax purposes in different years than for financial reporting purposes. Credit has not been taken for the future tax benefit on current or prior years' losses available to be recouped in certain subsidiaries.

The company has adopted the policy to account for income taxes of United Kingdom subsidiaries in line with accounting recommendations applying in that country. This standard allows for the non recognition of deferred taxation providing no liability will become due in the foreseeable future.

The parent company has investments in subsidiaries outside Australia which, together with their retained earnings, are considered to be investments of a long term nature. Because there is no present intention to remit retained earnings of overseas subsidiaries to Australia on a regular basis, no provision has been made for withholding or other taxes that may become payable in certain countries.

[d] Recognition of income:

Revenue is recognised, other than from vessel operations, when freight commences its longhaul movement. Estimated costs of performing the transportation services are then accrued. Revenue from vessel operations by way of charter is recognised on an accrual basis and from cargo carrying on a terminated voyage basis.

[e] Depreciation and amortisation:

Property, plant and equipment are depreciated over their life expectancy in line with utilisation. Because of the varied nature of operations within each country, both straight line and diminishing value methods are adopted. Leasehold improvements are amortised over the period of the lease or 50

years, whichever is the lesser.

[f] Provision for long service leave:

Relates to the Australian operations only and is provided in accordance with regulations in the various States. Provision is made on completion of the minimum number of years service after which employees may be entitled to receive this benefit.

Allocation of the provision between both current and term liabilities has been made according to the period of service which determines when employees become eligible for their entitlement.

[g] Valuation of investments:

Properties and listed securities are included in the accounts at cost to the group with the estimated market value shown by way of note. Non listed securities in associated companies are shown at cost before accounting for profits in excess of dividend received since acquisition and the net

tangible asset backing is shown by way of note.

[h] Stocks on hand:

Includes both consumable items such as fuel, tyres, spare parts, etc. and trading stocks, valued at the lower of cost and net realisable value.

[i] Bad debts:

Group policy is to write off bad debts against profits as and when incurred. In addition, adequate provision is made for doubtful debts.

[j] The consolidated financial statements have been prepared on a basis consistent with that adopted in previous years and in accordance with conventional historical cost principles, except that in Brazil statutory regulations require an annual monetary increment based on official indices of inflation to be applied.

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 2				
Dividends and Interest				
Dividends—listed companies	1,243	1,519	1,236	1,510
—other companies	2	7	—	—
Interest —subsidiaries	—	—	7,518	7,686
—other	3,411	1,132	114	80
	<u>4,656</u>	<u>2,658</u>	<u>8,868</u>	<u>9,276</u>
The company equity accounts: dividends received from associated and subsidiary companies are set out in notes 12[b] and 12[c] respectively.				
Note 3				
Profits of Associated Companies				
Entitlements to profits of associated companies before tax	5,970	8,877		
Less income tax expense	<u>2,743</u>	<u>3,798</u>		
Operating profit after income tax	3,227	5,079		
Less outside shareholders' proportion	<u>970</u>	<u>1,579</u>		
Operating profit before extraordinary items	2,257	3,500		
Add extraordinary items	[5]	1,072		
Entitlement to profits of associated companies for the year	<u>2,252</u>	<u>4,572</u>	<u>2,252</u>	<u>4,572</u>
Note 4				
Expenditure				
In accordance with disclosure requirements, expenses charged before arriving at operating profit were				
Depreciation and amortisation	18,700	12,262	—	—
Interest paid to non related parties	<u>15,162</u>	<u>9,288</u>	<u>4,419</u>	<u>4,777</u>

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 4 contd.				
Interest paid to subsidiary companies	—	—	746	610
Bad debts written off — trade	935	986	—	—
Auditors' remuneration [refer [a] below]	1,190	1,225	3	3
Provision for doubtful debts — trade	727	421	—	—
Long service leave and retiring benefits	919	851	—	—
Directors' fees [refer [b] below]	60	60	60	60
	<u>37,693</u>	<u>25,093</u>	<u>5,228</u>	<u>5,450</u>
Other expenses	541,443	420,278	200	353
	<u>579,136</u>	<u>445,371</u>	<u>5,428</u>	<u>5,803</u>
[a] Auditors' remuneration includes amounts receivable by				
[i] auditors of parent and certain subsidiaries for				
Auditing of accounts	366	282	3	3
Other services	86	89	—	—
[ii] auditors of other subsidiaries for				
Auditing of accounts	624	625	—	—
Other services	114	229	—	—
	<u>1,190</u>	<u>1,225</u>	<u>3</u>	<u>3</u>
The auditors received no other benefits.				
[b] Fees and other emoluments due and receivable by directors of the parent company				
[i] Contributed by subsidiary companies to				
Directors engaged in full time employment	435	203		
Other directors	34	28		
	<u>469</u>	<u>231</u>		
[ii] Contributed by the company to				
Other directors	60	60	60	60
	<u>60</u>	<u>60</u>	<u>60</u>	<u>60</u>
Note 5				
Income Tax Expense				
Attributable to				
Parent and subsidiaries	11,367	8,182	481	366
Associated Companies	2,743	3,798	—	—
	<u>14,110</u>	<u>11,980</u>	<u>481</u>	<u>366</u>
<p>The income tax attributable to the current year has been calculated in accordance with the rates applying in the countries where the group operates and is influenced by the varying rates of tax on profits earned in those countries. Also the tax regulations vary and in certain countries the prima facie tax is calculated on a group or consolidated basis. In countries where income tax is assessed on profits the charge varies from the prima facie tax because of the following amounts.</p>				

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 5 contd.				
Increase in taxation arising from:				
Depreciation on buildings	272	267		
Amortisation of leasehold improvements	378	382		
Losses of subsidiary companies	590	4,743		
	<u>1,240</u>	<u>5,392</u>		
Decrease in taxation arising from:				
Rebateable dividends received	1,240	1,562	1,236	1,510
Interest received subject to withholding tax	1,869	1,879	1,869	1,879
Recoupment of prior year losses	2,968	782	—	—
Investment allowance	6,414	5,437	—	—
Special allowances on plant and equipment	1,663	383	—	—
Trading stock valuation adjustment	124	47	—	—
	<u>14,278</u>	<u>10,090</u>	<u>3,105</u>	<u>3,389</u>
Note 6				
Outside Shareholders' Proportion of Profits				
Attributable to —				
Subsidiary companies	3,760	1,474		
Associated companies	970	1,579		
	<u>4,730</u>	<u>3,053</u>		
Note 7				
Extraordinary Items				
Parent and subsidiaries				
Profit/(loss) on—properties	28	72	—	—
—investments [refer [a] below]	14,506	3,584	[4]	3,560
—subsidiaries	[63]	[866]	[63]	499
Foreign currency—[loss] gain on non trading transactions	[2,773]	[2,417]	182	[1,730]
Other non trading items [refer [b] below]	[800]	[1,167]	[146]	[494]
Income tax applicable to foreign currency loss	79	81	—	—
Outside shareholders' proportion on sale of investment	[5,847]	[201]	—	—
	<u>5,130</u>	<u>[914]</u>	<u>[31]</u>	<u>1,835</u>
Associated companies				
Profit/(loss) on—properties	375	1,575		
—investments	—	22		
Other non trading items	[622]	—		
Foreign currency — gain	150	66		
Outside shareholders' proportion	92	[591]		
	<u>5,125</u>	<u>158</u>	<u>[31]</u>	<u>1,835</u>

[a] Includes profit on sale of investment in R.W. Miller [Holdings] Limited. Whilst receipt of the sale proceeds occurred after 30 June 1979 it was apparent from negotiations conducted prior to 30 June that those proceeds would be received. Accordingly, the sale and profit thereon have been brought to account at 30 June 1979.

[b] Includes provision for amounts that may become payable under guarantees given in respect of sale of Acme Fast Freight Inc.

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 8				
Entitlement to Profits				
The parent company adopts the equity method to account for its entitlement to profits of subsidiary and associated companies.				
Subsidiary companies				
The contribution of each subsidiary to the consolidated results and particulars of dividends received are set out in notes 26 and 27			<u>23,302</u>	<u>4,863</u>
Associated companies				
Further particulars of associated companies are set out in note 3			<u>2,252</u>	<u>4,572</u>
Note 9				
Transfer from Associated Companies Reserves				
Equity accounted profits in excess of dividends received of associated companies				
[a] Acquired during year and now consolidated as a subsidiary	672	85	672	85
[b] Sold during year with profits now available for distribution by subsidiaries	<u>3,284</u>	<u>—</u>	<u>3,284</u>	<u>—</u>
	<u>3,956</u>	<u>85</u>	<u>3,956</u>	<u>85</u>
Note 10				
Transfers to Reserves				
Capital profits [refer note 12[a]]	—	3,560	—	3,560
Associated companies [refer note 12[b]]	1,005	2,873	1,005	2,873
Subsidiary companies [refer note 12[c]]	<u>—</u>	<u>—</u>	<u>20,046</u>	<u>3,456</u>
	<u>1,005</u>	<u>6,433</u>	<u>21,051</u>	<u>9,889</u>
Note 11				
Share Capital				
Authorised				
160,000,000 shares of 50¢ each	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>
Issued and paid up				
73,789,950 ordinary stock units of 50¢ each fully paid [1978 73,783,614]	<u>36,895</u>	<u>36,892</u>	<u>36,895</u>	<u>36,892</u>
The parent has issued convertible notes and warrants which if exercised in full will require the issue of 10,005,683 stock units. The exercise of warrants requires payment of \$2,850,000 to the company.				
Note 12				
Reserves				
Share premium	13,577	13,571	13,577	13,571
Asset revaluation	4,640	4,640	4,640	4,640
Capital profits [refer [a] below]	3,563	3,563	3,563	3,563
Associated companies [refer [b] below]	<u>8,643</u>	<u>11,594</u>	<u>8,643</u>	<u>11,594</u>

		Consolidated		Parent	
		1979	1978	1979	1978
		\$'000	\$'000	\$'000	\$'000
Note 12 contd.					
Subsidiary companies [refer [c] below]		—	—	32,077	12,031
Retained profits [refer [d] below]		37,105	13,789	5,028	1,758
		67,528	47,157	67,528	47,157
[a] Capital profits					
Balance carried forward from prior years		3,563	3	3,563	3
Add profit on sale of investments		—	3,560	—	3,560
		3,563	3,563	3,563	3,563
[b] Associated companies					
Proportion of net profit for year		2,252	4,572	2,252	4,572
Less dividends received by parent and subsidiaries		1,247	1,699	1,247	1,699
Contribution to profit transferred from appropriation [refer note 10]		1,005	2,873	1,005	2,873
Less transfer to appropriation [refer note 9]		3,956	85	3,956	85
		[2,951]	2,788	[2,951]	2,788
Add equity in net profit for prior years		11,594	8,806	11,594	8,806
		8,643	11,594	8,643	11,594
Represents the equity in the profits in excess of dividends received from associated companies. Such amount is not available for distribution until received by way of dividend. This amount has been added to the cost of the investment in line with the equity method [refer note 17[c]].					
[c] Subsidiary companies					
Proportion of net profit for year				24,527	6,397
Less dividends received				8,437	3,026
Add adjustment to associated companies reserve [refer note 9]				3,956	85
Transfer from appropriation				20,046	3,456
Add equity in net profit for prior years				12,031	8,575
				32,077	12,031
Represents the equity in the undistributed profits of subsidiary companies. Such amount is not available for distribution until received by way of dividend. This amount has been added to the cost of the investment in line with the equity method [refer note 17[a]].					
[d] Retained profits of the group relating to Brazilian subsidiaries include reserves and retained earnings which have been converted to shares and capital reserves, \$2,744,000 which may only be available to the parent as retained earnings by way of return of capital or upon realisation of certain assets.					
Note 13					
Term Liabilities					
Loans secured —bank		51,390	35,316	2,635	3,835
—other		27,700	21,172	15,538	2,620

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 13 contd.				
Loans unsecured—bank	8,861	4,487	—	—
—other	3,699	2,297	3,500	11,744
—convertible notes and bonds [refer note 22]	39,063	42,133	12,361	16,044
Provisions—long service leave and retiring benefits	3,653	2,824	—	—
—deferred and creditors other	223	340	—	—
—deferred income tax*	5,853	5,602	—	—
	<u>140,442</u>	<u>114,171</u>	<u>34,034</u>	<u>34,243</u>
*The cumulative deferred tax liability referred to in note 1[c] and not recognised above amounts to \$3,537,000 [1978 \$1,995,000].				
Note 14				
Creditors and Provisions				
Creditors —trade	36,969	27,845	—	—
—other and accruals	41,920	30,508	1,026	906
Provisions—long service leave	1,273	1,093	—	—
—dividend	4,427	3,320	4,427	3,320
—income tax	8,915	6,024	161	140
	<u>93,504</u>	<u>68,790</u>	<u>5,614</u>	<u>4,366</u>
Note 15				
Bank Overdrafts and Loans				
Overdrafts secured	10,400	5,554	2,329	—
Loans secured —bank	9,099	2,905	800	—
—other	2,821	3,369	298	—
Overdrafts unsecured	6,766	2,558	—	—
Loans unsecured—bank	4,923	4,969	—	—
—other	1,839	736	837	2,278
—convertible notes [refer note 22]	3,673	—	3,673	—
	<u>39,521</u>	<u>20,091</u>	<u>7,937</u>	<u>2,278</u>
Note 16				
Fixed Assets				
Vehicles, plant and equipment — at cost	104,387	76,609		
Less accumulated depreciation	46,689	36,296		
	<u>57,698</u>	<u>40,313</u>		
Vessels—at cost [including vessels under construction \$499,000]	109,159	87,629		
Less accumulated depreciation	22,523	24,044		
	<u>86,636</u>	<u>63,585</u>		
Freehold properties				
—at cost	28,082	20,175		
—at independent valuation [January/March 1975]	20,825	20,825		
	<u>48,907</u>	<u>41,000</u>		
Less accumulated depreciation	4,407	3,657		
	<u>44,500</u>	<u>37,343</u>		

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 16 contd.				
Leasehold properties—at cost	18,513	16,274		
Less accumulated amortisation	4,341	3,620		
	14,172	12,654		
	203,006	153,895		
Fixed assets of non Australian subsidiaries are shown at cost adjusted for foreign exchange fluctuations.				
Note 17				
Investments				
[a] Subsidiaries				
At cost [adjusted by foreign exchange fluctuations]			43,216	44,991
At officers' valuation May 1975			10,950	10,950
[refer note 26]			54,166	55,941
Less provision for write-off			18,477	18,477
			35,689	37,464
Add equity in undistributed profits [refer note 12[c]].			32,077	12,031
			67,766	49,495
[b] Listed securities—at cost				
Ansett Transport Industries Limited	8,757	8,664	8,757	8,664
Market value \$13,184,000 [1978 \$15,962,000]				
Other companies	4,684	1,524	3,394	1,524
Market value \$6,205,000 [1978 \$2,349,000]				
Parent \$4,821,000 [1978 \$2,349,000]				
	13,441	10,188	12,151	10,188
[c] Non-listed securities				
Associated companies—at cost [refer note 25]	20,886	28,333	5	54
Add equity in undistributed profits [refer note 12[b]]	8,643	11,594	8,643	11,594
	29,529	39,927	8,648	11,648
The proportion of net tangible asset backing is \$29,971,000 [1978 \$42,378,000]				
Other companies—at cost	925	4,016	204	206
	30,454	43,943	8,852	11,854
[d] Properties				
Freehold land and buildings—at cost	6,773	6,773	—	—
The most recent valuation estimates the value of the properties to be \$6,000,000. Directors consider that there is no permanent diminution in value of this asset.				
	50,668	60,904	88,769	71,537
Note 18				
Non Current Assets				
Future income tax benefits [refer [a] below]	3,032	1,701	—	—
Deferred accounts receivable [refer [b] below]	3,999	4,241	52	—

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 18 contd.				
Deferred expenditure	1,231	—	29	—
	8,262	5,942	81	—
[a] Represents the future tax benefit to account for timing differences which arose between amounts deductible for taxation purposes and those deductions taken in arriving at accounting profit: its recoverability is dependent on taxable income being earned in future periods, continuation of the relative taxation laws and the company continuing to comply with the relevant legislation.				
[b] Receivables include loans to directors or alternate directors of				
[i] the parent company \$217,000				
[1978 \$386,000]				
[ii] subsidiary companies \$197,000				
[1978 \$291,000]				
All such directors are in the full time employment of the company and its subsidiaries in Australia and overseas.				
The individual loans range from \$4,000 to \$120,000.				
Note 19				
Accounts Receivable				
Trade	79,809	58,979		
Less provisions	3,405	2,181		
	76,404	56,798		
Other [refer note 18[b]].	38,727	6,949	226	18
	115,131	63,747	226	18
Note 20				
Prepayments Stocks and Deposits				
Stocks on hand—trading	3,367	2,192	—	—
—consumables	2,721	2,068	—	—
Prepayments	8,679	5,671	134	666
Deposits—utilities etc.	240	222	—	—
	15,007	10,153	134	666
Stocks on hand are valued at lower of cost and net realisable value.				
Note 21				
Intangible Assets				
Represents the cost of goodwill, operating rights, and franchises; establishment costs of new ventures, and the excess of cost of shares in subsidiary companies over their net tangible assets valued at acquisition date [refer note 1]				
Deduct amounts written off	31,741	31,559		
	22,020	22,020		
	9,721	9,539		

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 22				
Convertible Notes and Bonds—Unsecured				
8,000,000 notes of \$1.00 each Noteholders have the right, during nominated periods, commencing 28 February 1975 and ending either 30 March 1980 for seven year notes or 28 February 1983 for ten year notes or at a prior date in the event of the company determining to make a bonus issue of shares to its stockholders, to convert each three \$1.00 notes held into one 50¢ share in Thomas Nationwide Transport Limited	8,000	8,000	8,000	8,000
5,021,552 notes of \$1.60 each [1978 5,027,333] Noteholders have the right, during nominated periods, commencing 1 January 1978 and ending 20 December 1985 to convert each \$1.60 note held into one 50¢ share in Thomas Nationwide Transport Limited. In the event of the company making a bonus issue of shares to its stockholders prior to conversion, noteholders are also entitled on conversion to receive such entitlement as if conversion to shares had taken place at the date of the bonus issue. 502,178 shares have been reserved to meet the entitlement of noteholders, on conversion, in respect of the December 1976 bonus issue. During the year, holders of 5,781 notes exercised their entitlement to convert to shares. All noteholders are entitled, as if their notes had been converted, to rank pari passu in any new issue of ordinary shares made for cash.	8,034	8,044	8,034	8,044
10,000 — 1983 bonds of US\$1,000 each [US\$10,000,000] redeemable at their principal amount on 1 July 1983 or at the earlier option of the borrower subject to certain conditions.	8,901	8,696	—	—
20,000 — 1987 bonds of US\$1,000 each [US\$20,000,000] redeemable in varying amounts from 15 August 1981 to 15 August 1987 or at the earlier option of the borrower subject to certain conditions. Bondholders have been unconditionally guaranteed in respect of principal and interest by Thomas Nationwide Transport Limited.	17,801	17,393	—	—
	42,736	42,133	16,034	16,044
Less current portion	3,673	—	3,673	—
	39,063	42,133	12,361	16,044

Note 23

Contingent Liabilities

Include guarantees given by the parent and/or subsidiaries in the normal course of business for secured and unsecured borrowings and commitments of subsidiary and associated companies and other parties.

Guarantees given on behalf of
Subsidiaries for

	Consolidated		Parent	
	1979	1978	1979	1978
	\$'000	\$'000	\$'000	\$'000
Note 23 contd.				
[1] Borrowings which are included in financial statements and				
[a] secured over assets of				
[i] both parent and subsidiary			5,081	3,018
[ii] subsidiary companies—[counter indemnities received \$9,721,000]			25,923	25,654
[b] unsecured by both parent and subsidiary			42,958	36,593
[2] Lease commitments and other facilities				
[a] secured over assets of				
[i] both parent and subsidiary			6,791	4,384
[ii] subsidiary companies			1,796	2,351
[b] unsecured by both parent and subsidiary			2,234	1,957
[3] Charter obligations—unsecured			12,068	13,044
Associate companies [given joint and several with other parties] for				
[1] Borrowings				
[a] secured over assets of				
[i] both parent and associate	—	154	—	154
[ii] associate	40,980	48,082	271	361
[b] unsecured by both parent and subsidiary	125	265	—	140
[2] Charter obligations—unsecured	3,133	2,609	—	—
Other parties for				
[1] Borrowings				
[a] secured over assets of parent	21	21	21	21
[b] unsecured	531	2,049	—	—
Uncalled capital relating to				
Subsidiaries	—	—	1,547	1,547
Associated companies	1,005	1,005	—	—
Other	41	43	12	14

In addition to guarantees for lease and other facilities given by the parent company, the group has permanent long term arrangements for leasing of road, rail and other equipment. The liability under these arrangements is \$13,619,000 [1978 \$12,387,000] payable over varying periods ranging up to four years. The current market value of these assets has not been taken into consideration in arriving at the amount of this contingency. Also, the group has obligations of \$21,764,000 [1978 \$19,757,000] ranging over varying periods for the hire of equipment and vessels. This obligation is reduced by an amount of \$2,870,000 representing external hire commitments received.

Note 24

Capital Expenditure Commitments

Not elsewhere provided in relation to—vessels \$9,291,000 [1978 \$16,607,000]
—other equipment and assets \$7,376,000 [1978 \$10,755,000]

Note 25

Particulars of Associated Companies

	Percentage Entitlement	State/Country	Investment
	Subsidiary	Parent	of Incorporation
			\$
Equity accounted			
Investment held by parent company			
Ibis Haulage Pty. Limited	50	N.S.W.	5,000

Note 25 contd.**Particulars of Associated Companies**

	Percentage Subsidiary	Entitlement Parent	State/Country of Incorporation	Investment \$
Investment held by subsidiaries				
Seatainer Terminals Limited	50	31.3	Vic.	2,839,488
Tasman Union Limited	50	31.3	New Zealand	15,219,460
Union Steam Ship Co. (U.K.) Limited	50	31.3	United Kingdom	32,420
Union-Bulkships Pty. Limited	75	46.9	Vic.	151,958
Trans Ocean Leasing Corporation	29.2	29.2	California	2,399,531
Industrial Waste Collections Limited	33.3	32.2	New Zealand	238,370
				<u>20,881,227</u>
[refer note 17[c]]				<u>20,886,227</u>

Effective from 1 July 1978 Carpentaria Transport Pty. Limited [formerly Queensland Railfast Express Pty. Limited], TNT Travel Investments Pty. Limited [formerly ACTU-TNT Travel Pty. Limited], and Trucape Pty. Limited became subsidiary companies. The investment in R.W. Miller [Holdings] Limited has been disposed of.

Note 26**Investment by Parent Company in Subsidiaries**

	Class of Share	Owned by Parent %	Investment by Parent \$'000	Dividend Received by Parent \$'000
Alltrans Cartage Pty. Limited	Ordinary	100	123	15
Alltrans Storage [S.A.] Pty. Limited	Ordinary	100	1,081	65
	Preference	100	—	
Armed Security Pty. Limited	Ordinary	100	95	
Bulkships Limited	Ordinary	62.5	16,211	2,500
Carpentaria Transport Pty. Limited	Ordinary A	100	25	175
	Ordinary C	100	36	
Comet Transport Investments Pty. Limited	Ordinary	100	371	25
	Preference	100	51	
Hawthorn Investments Pty. Limited	Ordinary	100	1	5
	Preference	100	1	
Kwikasair Investments Pty. Limited	Ordinary	100	488	5
Peninsula Group Holdings Limited	Ordinary	100	4,979	
Primera Pty. Limited	Ordinary	100	166	
TNT-Allied Pty. Limited	Ordinary	100	7	
TNT Customs Limited	Ordinary	100	2,289	55
TNT Distribution Centre Pty. Limited	Ordinary	100	478	65
TNT Ferryden Pty. Limited	Ordinary	100	1,515	60
TNT Group 4 Total Security Pty. Limited	Ordinary	73.3	220	
TNT Holdings Pty. Limited	Ordinary	100	2,076	155
TNT Investments Pty. Limited	Ordinary	100	2,360	125
TNT Lawson Square Pty. Limited	Ordinary	100	482	
TNT Management Pty. Limited	Ordinary	100	3,252	5,000
TNT Operations Vic. Pty. Limited	Ordinary	100	129	
TNT Travel Investments Pty. Limited	Ordinary	50	1	
	Preference	100	24	
Waste Investments Pty. Limited	Ordinary	100	300	
Woods Properties Pty. Limited	Ordinary	100	1,209	85
	Preference	100	8	
Acme Computer Services Pte. Limited	Ordinary	100	41	
Alltrans Express Limited	Ordinary	96.3	3,715	
Alltrans Express [Singapore] Pte. Limited	Ordinary	89.6	548	

Note 26 contd.
Investment by Parent Company in Subsidiaries

	Class of Share	Owned by Parent %	Investment by Parent \$'000	Dividend Received by Parent \$'000
Alltrans Group of Canada Ltd.	Common	100	1,517	
Alltrans Group [N.Z.] Limited	Ordinary A	50	148	102
	Ordinary B	19.4	—	
Alltrans Holdings Inc.	Common	51	4,984	
Kwikasair France [S.A.]	Ordinary	100	166	
TNT [H.K.] Limited	Ordinary	100	9	
TNT International Finance N.V.	Ordinary	100	3,660	
TNT Overseas Finance N.V.	Ordinary	100	11	
T.N.T. [PNG] Pty. Limited	Ordinary	100	19	
TNT Transport International B.V.	Ordinary	90	6	
T.N.T. Transport [N.Z.] Limited	Ordinary	100	538	
TNT Transportes Ltda.	Ordinary	100	826	
			54,166	8,437
Dividends received by parent deducted from cost of investment.				
*TNT Airfreight Pty. Limited				110
				8,547

*Sold during year.

Note 27 Contribution to Consolidated Results and Particulars of Subsidiary Companies	State/Country of Incorporation	Outside Shareholders' Proportion %	Contribution to Consolidated Results	
			1979	1978
			\$'000	\$'000
Incorporated and Carrying on Business in AUSTRALIA				
Thomas Nationwide Transport Limited	A.C.T.		2,950	5,107
Audited by Auditors of Parent Company				
Acme World Wide Shipping Pty. Limited	N.S.W.	58.3	1	1
Alltrans Cartage Pty. Limited	N.S.W.		20	20
Alltrans Storage [S.A.] Pty. Limited	N.S.W.		60	67
Armed Security Pty. Limited	W.A.		1	1
Associated Steamships Pty. Limited	Vic.	37.5	[191]	[461]
Associated Stevedores Pty. Limited	Tas.	37.5	—	—
Atlas Transport Pty. Limited [in liquidation]	Vic.	37.5	—	24
Atlas Transport Services Pty. Limited [in liquidation]	Vic.	37.5	—	1
Bulkfridge Pty. Limited	N.S.W.	58.3	—	—
Bulkships Container Pty. Limited	Vic.	37.5	[341]	1,718
Bulkships Finance Pty. Limited	N.S.W.	37.5	66	—
Bulkships Limited	Vic.	37.5	12,078	1,396
Bulkships International Limited	Vic.	37.5	—	—
Carpentaria Transport Pty. Limited	Qld.	44.0	877	—
Comet Transport Investments Pty. Limited	N.S.W.		22	25
Customcrate Pty. Limited	N.S.W.		95	23
Fish Canneries of Tasmania Pty. Limited	Tas.	37.5	—	—
Hawthorn Investments Pty. Limited	N.S.W.		8	8
Holyman Transport Pty. Limited	N.S.W.	37.5	4	—
Wm. Holyman & Sons Pty. Limited	Tas.	37.5	138	—
Kwikasair Investments Pty. Limited	N.S.W.		1	7
MacPherson Equipment Limited	A.C.T.		4	2
Pallet Hiring Pty. Limited [in liquidation]	S.A.		—	4
Pallet Hiring Pty. Limited	Vic.		30	27
Peninsula Group Holdings Limited	Vic.		5	66

Note 27 contd. Contribution to Consolidated Results and Particulars of Subsidiary Companies	State/Country of Incorporation	Outside Shareholders' Proportion %	Contribution to Consolidated Results	
			1979 \$'000	1978 \$'000
Primera Pty. Limited	N.S.W.		[28]	67
Sealand Transport Pty. Limited	N.S.W.		—	—
TNT-Allied Pty. Limited	N.S.W.		48	—
*TNT Airfreight Pty. Limited	N.S.W.		—	[6]
TNT Canberra Pty. Limited	A.C.T.		5	7
TNT Customs Limited	N.S.W.		55	55
TNT Darwin Pty. Limited	N.T.		—	—
TNT Distribution Centre Pty. Limited	N.S.W.		59	68
TNT Ferryden Pty. Limited	S.A.		66	65
TNT Forklifts Pty. Limited	N.S.W.		23	190
TNT Group 4 Total Security Pty. Limited	N.S.W.	26.7	15	16
TNT Holdings Pty. Limited	A.C.T.		115	115
TNT Investments Pty. Limited	A.C.T.		—	—
TNT Investments Qld. Pty. Limited	Qld.		—	—
TNT Lawson Square Pty. Limited	N.S.W.		8	9
TNT Management Pty. Limited	N.S.W.		6,159	3,662
TNT Operations Vic. Pty. Limited	Vic.		—	1
TNT Pallet Hiring Pty. Limited	N.S.W.		1,074	232
TNT Properties N.S.W. Pty. Limited	N.S.W.		1	23
TNT Properties Qld. Pty. Limited	Qld.		11	35
TNT Properties S.A. Pty. Limited	S.A.		18	20
TNT Properties Vic. Pty. Limited	Vic.		33	53
TNT Properties W.A. Pty. Limited	W.A.		5	2
TNT Redfern Pty. Limited	N.S.W.		3	1
TNT Superannuation Pty. Limited	N.S.W.		—	—
TNT Tasmania Pty. Limited	Tas.		5	5
TNT Transport [Qld.] Pty. Limited	Qld.		5	8
TNT Travel Investments Pty. Limited	N.S.W.		2	—
TNT Wollongong Pty. Limited	N.S.W.		16	16
Tasmanian Investments Pty. Limited	Tas.		25	26
Thomas Nationwide Transport [Vic.] Pty. Limited	Vic.		3	3
Trucape Pty. Limited	Vic.	37.5	—	—
Waste Investments Pty. Limited	N.S.W.		—	—
Woods Properties Pty. Limited	Qld.		81	87
Incorporated and Carrying on Business in NETHERLANDS ANTILLES				
TNT International Finance N.V.	Neth. Antilles		[24]	[1]
TNT Overseas Finance N.V.	Neth. Antilles		36	[19]
Incorporated and Carrying on Business in PANAMA				
Acme Finance S.A.	Panama		[967]	[1,226]
Audited by other Auditors				
Incorporated and Carrying on Business in BERMUDA				
Alltrans Projects Limited	Bermuda	10.0	[60]	152
Incorporated and Carrying on Business in BRAZIL				
Kwikasair Encomendas Urgentes Limitada	Brazil	13.0	464	610
TNT Transportes Ltda.	Brazil		[368]	[177]
Transportdora Pampa S.A.	Brazil	13.0	[50]	2,185
Transporte Ristar Ltda.	Brazil	13.0	[346]	321
Transtotal Transportes Ltda.	Brazil	13.0	20	—

Note 27 contd. Contribution to Consolidated Results and Particulars of Subsidiary Companies	State/Country of Incorporation	Outside Shareholders' Proportion %	Contribution to Consolidated Results	
			1979 \$'000	1978 \$'000
Incorporated and Carrying on Business in CANADA				
Alltrans Express Ltd.	Ontario		282	327
Alltrans Express [Sask.] Ltd.	Saskatchewan		10	3
Alltrans International Ltd.	Ontario		9	[25]
Alltrans Group of Canada Ltd.	Brit. Columbia		[212]	[236]
Alltrans Holdings [Ontario] Ltd.	Ontario		[115]	[20]
Alltrans Forwarding Ltd.	Ontario		15	10
Champlain Sept.-Iles Express Inc.	Quebec		239	346
Champlain Sept.-Iles Express Interprovincial Inc.	Quebec		340	354
GEN Transport Limited	Newfoundland		28	7
Kwikasair Limited	Quebec		431	404
Montmorency Diesel Inc.	Quebec		3	8
Overland Western Limited	Ontario		1,844	1,085
Oxford Tire Inc.	Ontario		7	10
Oxford Warehousing Ltd.	Ontario		194	[213]
Seafast International Ltd.	Ontario		6	—
South Line Freight Limited	Saskatchewan		—	—
TNT Courier Services Ltd.	Ontario		[240]	[31]
TNT Overland Ltd.	Ontario		—	[1]
Transport Fermont Inc.	Quebec		—	—
Trans Ile Inc.	Quebec		—	—
Trojan Freight Lines Limited	Ontario		145	168
Western Dispatch Inc.	Ontario		[123]	[16]
Incorporated and Carrying on Business in FRANCE				
Kwikasair [France] S.A.	France		[7]	2
Incorporated and Carrying on Business in HONG KONG				
Commercial Distributors Limited	Hong Kong	37.5	[1]	[1]
Kwikasair Express [H.K.] Limited	Hong Kong		85	[27]
Sarum Traders Limited	Hong Kong	37.5	568	[1]
TNT [H.K.] Limited	Hong Kong		2	14
TNT Airfreight Limited	Hong Kong		11	[50]
Incorporated in Hong Kong and Carrying on Business in AUSTRALIA				
Hull Investments Limited	Hong Kong	37.5	378	220
Incorporated and Carrying on Business in NETHERLANDS				
TNT Transport International B.V.	Netherlands	10.0	[290]	[317]
Incorporated and Carrying on Business in PAPUA NEW GUINEA				
T.N.T. [PNG] Pty. Limited	Papua New Guinea		—	3
Incorporated and Carrying on Business in NEW ZEALAND				
Alltrans Freight Limited	New Zealand	2.3	444	433
Alltrans Group [N.Z.] Limited	New Zealand	2.3	27	39
Comet Transport Equipment Limited	New Zealand	3.2	68	—
Cooper Bros. Transport Limited	New Zealand	3.2	1,045	—
Interisland Parcel Express Co. [IPEC] N.Z. Limited	New Zealand	2.3	—	—
Kwikasair Express N.Z. Limited	New Zealand	2.3	—	—
McLaughlan Hammond Customs Agency Limited	New Zealand	3.2	3	—
Rudder's Customs & Shipping [N.Z.] Limited	New Zealand	2.3	—	1
T.N.T. Bulkships N.Z. Limited	New Zealand	37.5	273	357

Note 27 contd.

Contribution to Consolidated Results and Particulars of Subsidiary Companies

	State/Country of Incorporation	Outside Shareholders' Proportion %	Contribution to Consolidated Results	
			1979 \$'000	1978 \$'000
T.N.T. Transport [N.Z.] Limited Incorporated and Carrying on Business in PANAMA	New Zealand		13	897
Hydra Holdings S.A. Trans Freight Lines S.A. Incorporated and Carrying on Business in SINGAPORE	Panama Panama		[1,910] [436]	[4,144] —
Acme Computer Services Pte. Limited	Singapore		54	14
Alltrans Express [Singapore] Pte. Limited	Singapore		52	329
Best Shipping [Pte.] Limited	Singapore	37.5	[149]	[517]
Kwikasair Express [Singapore] Pte. Limited	Singapore		[190]	[60]
Timur Carriers [Pte.] Limited	Singapore	37.5	1,685	1,146
TNT Airfreight Pte. Limited Incorporated and Carrying on Business in SWITZERLAND	Singapore		[22]	[32]
Kwikasair [Geneva] S.A. Incorporated and Carrying on Business in UNITED KINGDOM	Switzerland	5	[16]	[22]
Alltrans Express Limited	United Kingdom	3.7	[517]	[48]
Alltrans Limited	United Kingdom	3.7	—	—
F. & H. Croft [Yeadon] Limited	United Kingdom	3.7	10	51
C.V.A. Road Freight Limited	United Kingdom	3.7	—	—
Dickinson Transport [Rossendale] Limited	United Kingdom	3.7	507	96
Evancrest Transport Limited	United Kingdom	3.7	[14]	—
G.H. Hoyle & Sons Limited	United Kingdom	3.7	94	25
Inter County Express [1978] Limited	United Kingdom	3.7	[566]	[454]
Inter County Express [Holdings] Limited	United Kingdom	3.7	[2]	—
Inter County Express [I.C.E.] Limited	United Kingdom	3.7	1,875	645
Inter County Express [N.I.] Limited	Northern Ireland	3.7	[8]	[134]
Inter County Express [Parcels] Limited	United Kingdom	3.7	—	—
Kwikasair Express Limited	United Kingdom	3.7	—	—
Seafast [U.K.] Limited	United Kingdom	13.3	[197]	[164]
Tamar Charterers Limited	United Kingdom	37.5	45	—
TNT Express Limited	United Kingdom	3.7	—	—
TNT Shipping Limited	United Kingdom	3.7	—	—
Universal Parcel Services Limited	United Kingdom	3.7	—	—
J. Wormald Limited Incorporated and Carrying on Business in U.S.A.	United Kingdom	3.7	—	—
Alltrans Alaska Freight Inc.	Washington		59	[243]
Alltrans Arctic Containers Inc.	Washington		14	172
Alltrans Express U.S.A. Inc.	California		[1,730]	[778]
Alltrans Holdings, Inc.	California		[1,886]	[725]
Alltrans International Incorporated	Delaware	10	337	[635]
Alltrans International Group Incorporated	Delaware	10	97	9
G.W.A. Inc.	New York		9	6
Overland Express Inc.	New York		—	[1]
Overland Western International Inc.	Michigan		20	5
Trans Freight Lines Incorporated	Delaware	20	2,440	[1,428]
Transmodal Cargoes Inc.	Delaware	10	—	—
Parent and subsidiaries			27,477	11,504
Associated companies [in excess of dividend received]			1,005	2,873
Net profit for year			28,482	14,377

*Sold during the year.

Statutory Items

Statement by Directors

In the opinion of the directors of Thomas Nationwide Transport Limited the accompanying Profit and Loss Account is drawn up so as to give a true and fair view of the profit of the company for the year ended 30 June 1979 and the accompanying Balance Sheet is drawn up so as to give a true and fair view of the state of affairs of the company as at 30 June 1979.

It is also the opinion of the directors that the accompanying group accounts of Thomas Nationwide Transport Limited and its subsidiary companies are drawn up so as to give a true and fair view of the profit of the company and its subsidiaries for the year ended 30 June 1979 and the state of affairs of the company and its subsidiaries as at 30 June 1979 so far as they concern members of the holding company.

For and on behalf of the board of directors by authority of a resolution of the directors.

Dated this 17th day of September 1979.

F.W. MILLAR

Chairman

E.H.P. ABELES

Managing Director

Statement by Principal Accounting Officer

I, Allen Ernest Eltoft, being the officer in charge of the preparation of the accounts and the group accounts of Thomas Nationwide Transport Limited state that to the best of my knowledge and belief, such accompanying accounts give a true and fair view of the matters required to be dealt with by Section 162 of the Companies Ordinance 1962.

Dated this 17th day of September 1979.

A.E. ELTOFT

Group Chief Account

Auditors' Report To Members Of Thomas Nationwide Transport Limited

The sale of the investment in R W Miller [Holdings] Limited has been brought to account at 30 June 1979 as explained in Note 7 to the accounts. Whilst we are satisfied that the sale has been completed and the profit on sale earned, we have been unable to determine whether the transaction should fairly have been brought to account prior to or subsequent to that date.

In our opinion, subject to the reservation expressed above

- [a] the accompanying accounts, being the balance sheet and profit and loss account of Thomas Nationwide Transport Limited, and group accounts, being the consolidated balance sheet and profit and loss account of the company and its subsidiaries, which are set out on pages 24, 25 and 27 to 42 and which have been

prepared under the historical cost convention stated in note 1[j] to the accounts are properly drawn up in accordance with the provisions of the Companies Ordinance 1962, and so as to give a true and fair view of

- [i] the state of affairs of the company and of the group as at 30 June 1979 and of the profit of the company and of the group for the year ended on that date so far as they concern members of the holding company; and
- [ii] the other matters required by Section 162 of that Ordinance to be dealt with in the accounts and in the group accounts
- [b] there is no defect or irregularity in or omission from the accounts or the group accounts
- [c] the accounting records and other records, and the registers required by that Ordinance to be kept by the company and by each of the Australian subsidiaries of which we are the auditors have been properly kept in accordance with the provisions of that Ordinance or of the corresponding law of the State or Territory of the Commonwealth in which it is incorporated. The names of the subsidiaries of which we have not acted as auditors are set out in note 27 to the accounts and we have examined the accounts and the auditors' reports thereon. The audited accounts of overseas subsidiaries have been adjusted for consolidation purposes as set out in note 1[a] to the accounts to a basis comparable with the accounts of other companies in the group.

We are satisfied that the accounts of the subsidiaries that have been consolidated with other accounts are in the form and content appropriate and proper for the purposes of the preparation of the consolidated accounts and we have received satisfactory information and explanations required by us for that purpose.

The report of the auditors of Bulkships Limited contained a similar reservation to that expressed by us above. Apart from this matter, no auditors' report on the accounts of any of the subsidiaries was made subject to any qualification, or included any comment made under sub section [3] of Section 167 of that Ordinance.

HUNGERFORDS

E. D. CAMERON

Partner

Chartered Accountants

Sydney,

17 September 1979

Interest Of TNT Directors In The Share Capital [as at 21 July 1979]

	TNT Stock Units	TNT Convertible Notes
F.W. Millar, C.B.E.	189,300	20,000
Sir Peter Abeles	1,094,277	200,000
J.R. Cribb, O.B.E.	663	45
P.W. Allsebrook	—	—
The Hon. Sir Robert Askin, G.C.M.G.	115,000	—
D.M. Dick	511	3,650
R.C. Elliott	1,696	—
H. Freeman	—	—
Sir Arthur George	425,255	19,467
N.A. Grace	2,420	—
O.T. Hannigan	10,964	100
J.B. Horrocks	10,000	500
M. Koffman	10,000	—
W.O.S. Martin	32,363	741
Sir Ian Potter	175,178	51,680
I.F. Shortell	41,226	556
K.G. Smith	270,000	40,000
P.B. Thomson	742	—

Additionally holdings in related Corporations are as follows:

D.M. Dick 23,148 "B" Ord. shares in Alltrans Group [N.Z.] Ltd., 4,350 "B" Ord. & 3,570 10% Non-Cum.Red.Pref. Shares in Cooper Bros. Transport Ltd; W.O.S. Martin 904,174 shares in Transportadora Pampa S.A.; F.W. Millar, C.B.E. 500 shares in Trans Freight Lines, Inc.

Corporate Ownership

[as at 10 September 1979]

Ordinary 50¢ Stock Units

Number of Holders 10399

Percentage of Holding
Held by 20 Largest Holders 51.8

Distribution of Holdings

1-1,000	6095
1,001-5,000	3449
5,001-10,000	435
10,001 & Over	420

Voting Rights = 1 Vote per Stock Unit



"TFL Democracy" and "TFL Independence", Port of Boston U.S.A.



Principal Offices

Australia — Group Head Office
Thomas Nationwide Transport Limited,
TNT Plaza, Tower 1,
Lawson Square,
Redfern. N.S.W. 2016.
Telephone: 699 2222.
Telex: 26536.

Overseas

New Zealand

Alltrans Group (N.Z.) Limited,
Challenge House, 3 Wolfe Street,
Auckland.
Telephone: 32799.
Telex: 2542.

U.S.A.

Alltrans Holdings, Inc.,
145 Route 46,
Wayne, New Jersey 07470.
Telephone: [201] 785 9555.
Telex: 133356.

Canada

Alltrans Group of Canada Limited,
5280 Maingate Drive,
Mississauga, Ontario. L4W 1G5.
Telephone: (416) 624 2110.
Telex: 06-961299.

Brazil

Transportadora Pampa S.A.,
Praca Louveira 83, Tatuape,
03080 Sao Paulo, S.P.
Telephone: 295 1564
Telex: 11-24154.

Singapore

Alltrans Express (Singapore) Pte. Limited,
D.B.S. Building,
5th Floor, Shenton Way,
Singapore 1.
Telephone: 220 3756.
Telex: RS23415.

United Kingdom

Alltrans Express Limited,
37 Upper Brook Street,
London, England, W1Y, 1PE.
Telephone: (01) 493 8661.
Telex: 22622.

General Information

Principal Accounting Officer and Group Chief Accountant:

A.E. Eltoft.

Secretaries:

R.T. Patteson.
S.G. East.

Registered Office:

C/- Hungerfords,
7th Floor, City Mutual Building,
Hobart Place,
Canberra, A.C.T. 2601.

Share Registry Offices:

Australia

Principal Register,
C/- Commonwealth Trading Bank of
Australia,
Stock and Share Department,
Cnr. London Circuit and Ainslie Avenue
Canberra City, A.C.T. 2601.

Overseas

Branch Register,
Canada Permanent Trust Company,
Yonge-Eglinton Centre,
20 Eglinton Avenue W.,
Toronto, Ontario, M4R 2E2, Canada.

Bankers:

Commonwealth Trading Bank of Australia,
Cnr. Pitt Street and Martin Place,
Sydney, N.S.W. 2000.

Solicitors:

Allen, Allen & Hemsley,
Level 46, MLC Centre,
19-29 Martin Place,
Sydney, N.S.W. 2000.

Parish Patience,
39th Level, Australia Square,
George Street,
Sydney, N.S.W. 2000.

Arthur T. George & Co.,
8th Floor, 151-153 Macquarie Street,
Sydney, N.S.W. 2000.

Auditors:

Hungerfords,
167 Macquarie Street,
Sydney, N.S.W. 2000.

